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Biographies of U.S. MIA's Published

IZVESTIYA reports that "the USSR KGB flouted human rights in its activity" as indicated by "several documents made available to IZVESTIYA by Russian Security Ministry officers General Anatoliy Krayushkin and Colonel Vladimir Goncharov" including "top secret correspondence between the chairman of the Ukrainian Soviet Socialist Republic Council of Ministers KGB and the deputy chief of the Second Main Directorate of the USSR Council of Ministers KGB, dated 1954" dealing with "secret surveillance and the cutting off of contacts with relatives from the United States." The IZVESTIYA article also cites some "reconstructed biographies."

Yeltsin Concludes Bulgaria Visit, Sets Vacation

Various Russian sources report on President Yeltsin's activities in Bulgaria, including addresses, a news conference, and the signing of treaties. A 4 August ITAR-TASS report adds that Yeltsin concluded his "official visit" and "left Sofia today." On 5 August ITAR-TASS reports that Yeltsin arrived in the southern Russian town of Adler on 4 August before embarking on a "scheduled two-week vacation" in Sochi. He will return to Moscow on 18 August, according to INTERFAX.

Kozyrev 'Glad' Baker Letters Published

Referring to the publication in the right-wing newspaper DEN of letters from Secretary of State Baker, Foreign Minister Kozyrev told MOSKOVSKIY KOMSOMOLETS that he is "glad that my friendly correspondence" with Baker has been published. Kozyrev added that President Yeltsin "himself sent Security Ministry personnel" to investigate the leak, adding that the public should "know how closely and thoroughly we are consulting with the Americans on all important questions."

Dispute Over Russian Central Bank Directive Continues

INTERFAX reports on an interview with Economics Minister Andrey Nechayev, who asserts that "the Central Bank of Russia will soon cancel" its 28 July directive granting credits against enterprises' mutual debts. An IZVESTIYA article by Petr Filippov, chairman of the Supreme Soviet Subcommittee on Privatization, analyzes the directive. He writes that "this telegram essentially means a turnaround in Russia's economic and political history" and that it "sounds the death knell of market reforms."

Byelarus KGB General on Lee Harvey Oswald Case

INTERFAX reports that Byelarus' KGB chief Eduard Shirkovskiy said that he "personally examined the case of Lee Harvey Oswald and added that it would be declassified only by permission of Parliament. The KGB General believes that it should not be done, for the six volumes of materials of the case reveal all methods of operation work of the secret service," adding that "Lee Harvey Oswald was neither KGB, nor CIA collaborator."

Tajik Security Staffers Reject New Chief

President Rakhman Nabiyev dismissed the Republican National Security Committee chairman, replacing him with "a former career security officer," ITAR-TASS reports. In response, security personnel "refused to accept the new chairman," Dushanbe radio reports; a statement issued by three Security Committee deputy chairman and reported by the radio regretted the dismissal of the former chief, who they said had introduced many reforms.

Warring Sides Leave Dniester Conflict Zone

According to an ITAR-TASS report, Moldovan Interior Minister Konstantin Antoch said the "withdrawal of armed units of the warring sides from the Dniester conflict zone has been completed and separating forces have been introduced there" adding that "a 50-people-strong police group is working in Bendery."

Ukraine Preparing To Destroy Conventional Arms

OW0408194192 Moscow INTERFAX in English 1826 GMT 4 Aug 92

[Transmitted via KYODO]

[Text] Mentioning the press center of the Ukrainian Defense Ministry, the information agency "KHARKOV-NOVOSTI" reports that "Ukraine will undertake measures on liquidation of conventional armaments envisaged by the Treaty on Reduction of Conventional Forces in Europe" in the period from August 18 till September 17 this year.

Azerbaijan Ratifies Nonproliferation Treaty

NC0408151092 Baku ASSA-IRADA in English 1537 GMT 4 Aug 92

[Text] Baku 04.08.92 ASSA-IRADA PRESS AGENCY—Today [4 August], Milli Majlis of Azerbaijan has ratified the international treaty "on non- proliferation of nuclear weapons", ASSA-IRADA parliamentary correspondent reported.

Ministry Welcomes French Accession to NPT

LD0408184992 Moscow ITAR-TASS in English 1730 GMT 4 Aug 92

[By ITAR-TASS]

[Text] Moscow August 4 TASS—The Foreign Ministry of Russia distributed the following statement here today [4 August]:

The acting charge de affaires of France presented a document on France's joining the Nuclear Non-Proliferation Treaty in the Foreign Ministry of the Russian Federation on August the 3rd, 1992.

Russia accepted a report on France's officially joining the Nuclear Non-Proliferation Treaty with great satisfaction. This momentous foreign policy step taken by the leadership of a state possessing nuclear weapons will, undoubtedly, become a significant contribution to the cause of strengthening international security and strategic stability, serve the universalization of the Nuclear Non-Proliferation Treaty and the international regime formed on its basis. With France joining the Nuclear Non-Proliferation Treaty all five nuclear powers have become its participants.

France's decision is a striking evidence of the treaty's effectiveness and is a powerful incentive for its universal implementation. The French Republic's participation in the treaty will, undoubtedly, create favourable conditions foe closer cooperation of convinced supporters of the idea of nuclear non-proliferation, especially on the threshold of the forthcoming conference to consider the effectiveness of the Nuclear Non-Proliferation Treaty which has the biggest number of participants as compared with other international agreements aimed at limiting armaments.

Russian Angle on Korean Nuclear Safety Aired

PM3107160192 Moscow KRASNAYA ZVEZDA in Russian 29 Jul 92 p 3

[Oleg Vladimirov "Viewpoint" article: "Nuclear Safety in Korea and Russia's Interests"]

[Text] As is known, the problem of nuclear nonproliferation has become one of the most topical issues in international life. It has assumed a special urgency in respect of the Korean Peninsula. The emergence of this question is being linked above all with the actions of the DPRK which, having signed the Treaty on the Non-Proliferation of Nuclear Weapons in 1985, has nonetheless been sidestepping cooperation with the International Atomic Energy Agency [IAEA] and refusing to submit its nuclear facilities to international inspection. Meanwhile it was suspected in the capitals of neighboring countries that the nuclear program being implemented in the country was outside the sphere of international control, that it had a military thrust and testified to progress toward the creation of its own nuclear weapons. U.S. experts, for example, claimed that the potential created in the DPRK enabled it to amass sufficient plutonium to produce four to five nuclear devices, and that a bomb could materialize virtually this year.

Recent events seem to indicate that tension in this area has somewhat subsided. Pyongyang has concluded a verification agreement with the IAEA and has received the first international inspections. The DPRK has submitted a list of the North Korean nuclear facilities and materials in its posession. The North and South, which have reached an agreement on progress toward a nuclear-free status for the Korean Peninsula, are engaged in talks on the organization of reciprocal inspections which are intended to eliminate the sides' existing misgivings.

This is the factual side of the matter. However, the main question remains unanswered: Did Pyonyang plan to build a nuclear bomb, and, if it did, what was behind this plan?

If one tries to answer this question from a commonsense viewpoint, there is an obvious absurdity in creating a nuclear deterrent potential (not to mention a potential for offensive purposes) in a country with a weak economy, a country which, moreover, is located in an area literally bristling with nuclear weapons belonging to the United States, Russia, and China. It is difficult to imagine that a small number of primitive nuclear devices—which is the most that the North Korean economy is capable of—could be pitted against the potentials of the aforementioned countries, or used as a "military argument" in relations with South Korea whose security is guaranteed by Washington. It cannot be ruled out, of course, that the North Korean regime, committed to the principle of self-reliance and known to

be prone to gigantomania, has gotten carried away with the idea of building a "prestige weapon." However, the leaders of that country, whose pragmatism and political experience are undeniable, must have been aware that this was a path leading to national suicide.

It is possible to conjecture with a greater degree of probability that, while not possessing nuclear weapons and not even thinking about building them, Pyongyang has, for a number of years, been playing a subtle if dangerous game using this issue as its most powerful trump card in its dialogue with the United States, South Korea, and Japan.

Do people in Washington realize this? No doubt, they do. Nevertheless, they prefer to claim at the official level that North Korea's policy in the nuclear sphere is to be viewed as the "Number one threat to stability in Asia and the Pacific."

So what is behind all this? To this day the DPRK remains one of the few political opponents of the United States in East Asia, a country whose policy not only remains outside the sphere of Washington's direct influence and control but actually runs counter its interests. In these circumstances the U.S. desire to make use of an auspicious atmosphere and a convenient pretext to settle accounts with the "unruly" regime is entirely understandable.

Judging by appearances there is a clash of two viewpoints, two approaches in U.S. policy in respect of North Korea. One of them favors shaking the present Pyongyang regime loose with a view to ultimately bringing about its downfall, while the other line envisages the establishment and expansion of contacts with it in line with a policy based on a sensible combination of moderate pressure and a readiness to enter into certain compromises. At the official level Washington on the whole continues to adhere to the hard-line approach. However, at the same time influential U.S. politicians are coming to Pyongyang more and more frequently to assess the possibility of improving interstate relations.

And what about Russia? Judging by appearances, the architects of Russian diplomacy are inspired by the prospect of expanding the sphere of collaboration with the West by introducing the Korean problem into it. Hastening to share Washington's assessments and approaches, following in the footsteps of our partner, we are prepared, it seems, to view the DPRK as a potential possessor of nuclear weapons, and, consequently, as a source of instability in the region. This stance would determine our position in a kind of "united front" under the aegis of the United States actively countering the DPRK, where Russia would be assigned the role of one of the main strike forces exerting pressure on the North Korean leaders.

Reactions to our approach vary from encouraging "pats on the shoulder" from the Americans, to Beijing's reserved attitude, to poorly concealed dissatisfaction in Pyongyang. People in the DPRK are convinced that the nuclear problem is only a part of a political pressure campaign aimed at their country, and that even if the question of nuclear inspections were exhaustively dealt with, the "big powers" will find another pretext to harass the DPRK.

As far as can be judged, Russia's conspicuous activeness in the question of nuclear security on the Korean Peninsula is in practice reducing its ability to really influence the situation, since Pyongyang is watching our steps with mounting distrust. At the same time other powers are less willing to view Russia as "an autonomous player" whose interests have to be taken into account. To illustrate this let me cite Seoul's reaction to "history's first" Russian-American statement on nuclear nonproliferation in Korea which was, incidentally, adopted on our initiative. According to the local newspapers, Moscow simply put its signature to the demands which had until then been made unilaterally by the United States on North Korea in connection with its nuclear program.

It is true that it is possible to criticize the DPRK for refusing to regularize its relations with the IAEA for a number of years, but it would be difficult to find more serious charges against Pyongyang. Only inspections can provide a definitive answer to all the questions. Making claims based merely on suspicions is not the wisest of policies.

Another circumstance also furnishes food for thought. Only a few years ago it was customary, in keeping with the then prevailing way of thinking, to believe that the threat to peace in the Far East emanated from a South Korea which had been, as was then claimed, transformed into a "nuclear springboard of the United States aimed against the socialist countries of Asia." Today we espouse diametrically opposed assessments, viewing the actions of the DPRK as the source of a "nuclear threat."

Once again we are witnessing how deeply our predisposition to view the world in black and white has become ingrained in our consciousness, how prone we are to swing from one extreme to another, and to regurgitate stereotypes. Involuntarily the question arises: May we not have to sharply change direction, change our viewpoint once again during the next political spiral?

And finally, the fact that Russia is the only country today to have established diplomatic relations with both the DPRK and the Republic of Korea provides us with a unique chance to maintain a constructive and tangible presence on the Korean Peninsula, which would be in keeping with both our national interests and the task of achieving a Korean settlement. But that in turn will call for a farsighted and well-balanced diplomacy aimed primarily at maintaining with both states equitable and friendly relations based on trust.

U.S. Initiative Could Go 'Considerably Further'

PM0408104992 Moscow KRASNAYA ZVEZDA in Russian 30 Jul 92 p 3

[Report by Gennadiy Kostenko: "America Would Only Stand To Gain by Going Further"]

[Text] As you know, the U.S. Administration recently published a new initiative in the sphere of mass destruction weapons nonproliferation. It has provoked plenty of reactions in various countries. A study of world press reaction and the conclusions drawn by experts and politicians makes it possible to conduct an in-depth assessment of this step by President G. Bush.

While giving credit to the Washington administration's efforts to try to limit global proliferation of the most lethal kinds of weapons, virtually all experts are nevertheless of the opinion that there is nothing fundamentally new in this initiative. THE NEW YORK TIMES wrote that it only articulates something that the United States is already putting into practice.

The statement regarding the suspension of production of plutonium and weapons-grade uranium, the core of the whole initiative, has aroused particular skepticism. The point is that the United States effectively suspended production of weapons-grade uranium more than 20 years ago and plutonium in 1988. According to the experts, there are enough stockpiles of these materials for a five-fold increase in the U.S. nuclear arsenal! So, Bush's decision is of no significance as far as limiting U.S. nuclear potential is concerned. Moreover, it goes hand in hand with a whole range of provisos such as, for instance, retaining the opportunity to produce fissionable materials for space apparatuses' nuclear power units for research, etc. At the same time there is total silence on the question of suspending production of tritium—a fissionable material without which no contemporary nuclear weapon [zaryad] can exist. After all, only suspending production of this material (because, unlike weapons-grade uranium and plutonium, it does not have a long storage life—its half-life is only 12.5 years) could really take nuclear states to a nuclear-free world.

The U.S. initiative would look much more far-reaching if it at least mentioned the gradual elimination of the stockpiles of fissionable materials, along with a moratorium on nuclear explosions and a reduction in the relevant testing programs. But it does not. Is that not due to transient considerations arising from the worsening White House election campaign?

The press also views that section of the initiative on containing the threat of the missile, chemical, and bacteriological weapons proliferation as designed for effect and primarily designed for domestic consumption. Something that has already been enshrined in international accords or something that is so to speak on the negotiating table is merely dressed up in new packaging here. However some specialists note with satisfaction the U.S. Administration's willingness to support the efforts to set up an international fund to finance the work of destroying weapons and conducting special inspections.

Summing up the assessments of President Bush's initiative, many people are of the opinion that the United States could go considerably further with mass destruction weapons nonproliferation. America would only stand to gain by taking the lead in implementing bolder proposals.

Yelstin Aide on U.S. Help in CW Destruction

PM0508084992 Moscow IZVESTIYA in Russian 31 Jul 92 Morning Edition p 6

[Report by Viktor Litovkin: "Americans Will Pay for Destruction of Chemical Weapons in Russia"]

[Text] Anatoliy Kuntsevich, chairman of the Committee for Conventional Problems of Chemical and Biological Weapons under the Russian president, and Donald Atwood, U.S. deputy defense secretary, signed an agreement on the secure, reliable, and environmentally clean destruction of chemical weapons in our country.

Russia needs to spend 100 billion rubles to get rid of the 40,000 tonnes of these lethal weapons. The U.S. Government has decided to allocate us during the initial phase $25 million of the $400 million that the United States is willing to spend to help our country eliminate all kinds of mass destruction weapons.

But this is no act of charity. Specialists think that in adopting this decision, the U.S. Congress was primarily acting in the interests of its own national security, rightly thinking that if mass destruction weapons are eliminated somewhere, they will never threaten the lives of U.S. citizens.

"Another fundamental idea behind this Congress decision," Academician Kuntsevich said during a conversation with your IZVESTIYA commentator, "was that Russia is indeed in a difficult economic position and cannot raise this problem without real outside aid."

However, the chairman of the conventional committee said, everyone is perfectly well aware that no matter how great and timely the aid, it will not replace Russian spending and efforts to destroy the stocks of chemical agents, although it will be a major incentive for it to organize the work and transform existing projects into concrete real actions.

Moreover, the money allocated by the U.S. Administration will not enter Russia's economy in the form of long-term loans or deposits and will not be spent on other purposes. The agreement between the two countries envisages that the chemical disarmament process in our country will be funded via a U.S. firm that will win a tender for this work.

According to Anatoliy Kuntsevich, the firm will take part in formulating a concept for the destruction of chemical weapons and preparing and analyzing tenders for our installations, it will recruit experts to assess them and also supply reliable high-tech equipment—reactors, furnaces for incinerating munitions, containment structures [zapornaya armatura], automated systems, measuring equipment, and apparatus enabling effective

checks to be carried out, including on the environment. This apparatus only exists in the United States.

Russian specialists will also be involved in choosing this firm. The agreement also envisages that our scientists and experts will work with the Americans during all phases involved in formulating and implementing the plans for the destruction and salvaging of chemical weapons. The projects themselves will be the incarnation of all our countries' best and most effective achievements in this field.

Provision has been made for a special center to be set up based on the Russian conventional committee to exercise national and international supervision of the chemical weapons destruction process. Our specialists hope to recruit not only U.S. but also European firms to take part in the program for the chemical demilitarization of Russia, in particular to create comfortable population centers and social facilities in line with high international standards in terms of living conditions.

"We think," Academician Kuntsevich told your IZVESTIYA commentator, "that highly developed countries can help Russia in destroying and salvaging chemical weapons in highly varied areas, including meeting the needs of the local population and personnel working at the installations eliminating the toxic chemical agents as far as improving their living and working conditions is concerned."

What will the first $25 million in U.S. aid be used for? According to the chairman of the conventional committee, it will be used to assess the possibilities of reorienting a chemical plant that was at one time engaged in producing chemical agents to destroying these agents and also to conduct expert analysis of the largest chemical weapons stocks—lewisite and mustard gas. They were formed back in the forties and present the greatest environmental concern today.

Kuntsevich thinks that these toxic chemical agents should be destroyed on site.

The academician thinks that the projects prepared for international tender accord with the highest requirements of absolute reliability, guaranteed security, and environmental cleanliness. Admittedly, they will also be comprehensively evaluated not only by international experts, but also by the population of those areas where it is planned to build the installations to destroy the toxic chemical agents, and will only accepted for implementation with their consent.

Incidentally, President Boris Yeltsin recently published a special ordinance on priority measures to prepare to implement Russia's international pledges in the sphere of destroying chemical weapons stocks, an ordinance which makes provision for a whole series of specific measures and concessions with regard to developing the social infrastructure, improving material and social provisioning for workers and the population of areas where the installations destroying the toxic chemical agents are sited, and ensuring priority supplies of food and industrial commodities for them.

When will the Russian-U.S. agreement start producing a real return? After a competition has been held in the United States to find the firm to whom to entrust cooperation with Russia's conventional committee.

According to Anatoliy Kuntsevich, this work will take several months under U.S. legal norms and regulations. Then the plans will be studied, the best one will be established, and experimental design work carried out—that will take roughly a year. It will take another year to organize the full-scale process for destroying one of the most dangerous kinds of mass-destruction weapons. So, 1995 may see the launch of the program.

We are in no hurry," Anatoliy Kuntsevich said before flying off to Washington. "The main thing is to start the process of ridding mankind of lethal weapons. One of the main priorities should be to ensure not only that our people are absolutely secure, but also that the population, the natural environment, and ecology of other countries are too. That is the crux and purpose of Russian-U.S. cooperation."

Provisions of Weapons Convention Described

PM0308153392 Moscow KRASNAYA ZVEZDA in Russian 30 Jul 92 p 3

[Report by Mikhail Zheglov: "Chemical Weapons Finally Banned"]

[Text] Representatives of the 39 countries party to the Disarmament Conference have once again assembled in Geneva following the summer recess. They will discuss the draft convention on a global chemical weapons ban.

In accordance with the draft convention the acquisition, development, production, sale, and use of chemical weapons is universally prohibited. What is more, not only all stocks of this kind of mass destruction weapon but also any existing enterprises producing them should be destroyed within 10 years after the document comes into force. The convention makes provision for the monitoring [slezheniye] of national chemical industry installations and for regular inspections with a view to preventing chemical weapons production. Provision is also made for measures to ensure the effective monitoring of possible violations, including the inspection of installations on demand. In the latter case countries will be obliged to provide foreign observers with access to installations suspected of producing chemical weapons.

The following element is also interesting. A state party to the convention, if subjected to an attack involving the use of chemical weapons, does not have the right to use these weapons to repulse the aggression even if it still has stocks of such weapons at the time in question. Nor can it retain its reserve stocks of war gas until all countries with chemical weapons subscribe to the convention.

The working group operating within the framework of the conference expects the draft convention to be ratified by 7 August in order to give the UN Secretariat time to decide the size of the text, determine whether it conforms with legal norms, and translate it. Following these purely technical procedures, a vote at the UN General Assembly session to be held this fall in New York awaits the convention. If it is adopted it will be open for signature late this year or early next year in Paris. The document will come into force once it has been ratified by 65 states.

To date, according to Stephen Ledogar, U.S. delegation head at the Geneva conference, two-thirds of the conference participants are willing to subscribe to the convention. They include Russia, the United States, Canada, all West and East European countries, and a number of states in Latin America. As for the rest, they still have time to make up their minds.

Commentary on Chemical Weapons Stockpiles

LD3107223092 Moscow Radio Moscow World Service in English 1710 GMT 31 Jul 92

[Commentary by Vladislav Kozyakov]

[Text] Russia and the United States signed a cooperation agreement in Washington on Thursday [30 July] to destroy the existing stockpile of chemical weapons. Commentary by Vladislav Kozyakov:

The deal follows an agreement that Moscow and Washington signed two years ago on halting the production and eliminating the existing chemical stockpiles. Work is due to be finalized later next month on an international chemical ban which may come into force already next year. Under yesterday's deal struck at the Defense Department, the United States will help Russia destroy its chemical stockpile by allocating $25 million to this end.

The appropriate contract will be awarded to an American firm on a competitive basis. Such a company is expected to come up with projects for the weapons' destruction, including a feasibility plan for reconverting a Russian chemical plant engaged in the manufacture of toxic agents into a weapons construction [as heard] facility.

One of the overriding priorities is to determine how to dispose best of large stocks of toxic agents such as lewisite and mustard gas, causing most concern by the environmentalists. Much of these was produced back in the 1940's and has to be destroyed locally.

The American company is also expected to supply incinerators, automation, and the equipment for monitoring the process of destruction and the state of the environment.

A Russian official, Anatoliy Kuntsevich, who signed the Washington deal on behalf of this country, says that the United States is the only country possessing such equipment. Russian and U.S. experts will work together at all stages of the weapons destruction, and a team of Russian specialists is due to visit U.S. installations to watch the process there.

The agreement is part of the Russian Government's program for the elimination of chemical weapons, with parliament instructing the cabinet to submit its draft by 15 September. Russian legislators approved a resolution speaking of the need to prepare laws and earmarked funds to meet the country's obligations for the destruction of chemical weapons. Russia faces a daunting job of getting rid of a total 40 million tons [tonnes] of toxic agents at the cost of 100 billion rubles or $800 million at the current exchange rate. Although the U.S. aid looks too small, it can certainly be of help to the ailing Russian economy. More importantly, the two countries once again join forces in one another's practical venture to the benefit of mankind.

The destruction of the existing stockpile of chemical weapons is the best guarantee that neither the Russians nor the Americans nor the people of other countries will ever face the nightmare of troubles linked with the use or storage of this barbaric type of weapons.

Missile Commander Discusses Nuclear Ownership

LD0308190292 Moscow Mayak Radio Network in Russian 0415 GMT 3 Aug 92

[Interview with Colonel General Igor Dmitriyevich Sergeyev, first deputy commander in chief of the Strategic Missile Forces, by correspondent Tatyana Chemodanova; place and date not given—recorded]

[Text] [Chemodanova] Igor Dmitriyevich, the issue of nuclear-free status is a matter of great concern for world public opinion on the whole, and I am not overstating it. However, it is still unclear how this issue is going to be solved. What is the current state of the issue of the unity of missile forces within the strategic forces?

[Sergeyev] This question is worrying both the world public, the newcomer states [novoye zarubezhye], and Russia itself, for this will determine future developments to a great degree. On the positive side, the following can be pointed out at the moment. The co-participants, that is co-owners of the nuclear arms—Kazakhstan and Byelarus—have defined, I believe, their position and taken the appropriate decision, or are about to take one. They have already routinely agreed on all documents. On the whole, the centrifugal trends that used to be prominent until now have given way to some signs of centripetal force.

Both Kazakhstan and Byelarus will agree, I think, that they should implement the Lisbon accords in the near future and ask to take, or take under their jurisdiction those units of strategic missile forces that will be temporarily located on their territories.

[Chemodanova] Igor Dmitriyevich, you have mentioned centripetal tendencies in the Commonwealth. Does Ukraine have the same tendency?

[Sergeyev] One cannot probably say that the same tendency can be observed where Ukraine is concerned, though it is to be desired, naturally. At present, I believe, Ukraine has not yet defined its positions and are remaining the same as before. That is, administrative management has been introduced in Ukraine and is being implemented in the missile units located on its territory. However, in the future our Ukrainian friends may take the same path.

[Chemodanova] In your view, is there a way out of this situation which is somewhat entangled?

[Sergeyev] The tendencies that have emerged and the actions undertaken by Byelarus, and those that Kazakhstan is going to take in the near future, lead me to believe that wisdom will take the upper hand; that the same tendencies will come into our relationships with our other partners. Soon, I think, Ukraine may define its stand as well.

Ballistic Missiles Convertible to Commercial Use

PM0408103792 Moscow IZVESTIYA in Russian 31 Jul 92 Morning Edition p 1

[RIA report: "Ballistic Missiles To Help Disaster Victims"]

[Text] Ballistic missiles from the former USSR's nuclear-powered submarines will be used for commercial launches.

According to V. Apanasenko, chief of the Navy Center for Ensuring the Implementation of Disarmament, satellites or other scientific equipment can be placed in the missiles' warhead section after slight technical alterations and put into near-earth orbit without any considerable outlay. These missiles can also be used effectively to deliver rescue equipment to disaster victims and aircraft.

CIS Broadcasting Chiefs Meet in Moscow

LD3107161792 Moscow Teleradiokompaniya Ostankino Television First Program Network in Russian 1425 GMT 29 Jul 92

[Report by Byelarus Television correspondent Eduard Gerasimovich and Kazakh Television correspondent Zhanna Koychubayeva on meeting of broadcasting chiefs of CIS states in Moscow 28-29 July, including conference speeches and interviews with delegates by unidentified interviewer; from the "Big Problems of the Small Screen" program—recorded]

[Excerpts] [passage omitted] [Gerasimovich] The time is finally ripe for us to join forces. This was the purpose of an international meeting of the heads of television and radio organizations.

[Koychubayeva] [passage omitted]

[Video switches to show conference in progress, Yegor Yakovlev, chairman of Ostankino TV and Radio company, making opening address, delegates seated around tables.]

[Yakovlev] Permit me to open this unique meeting, I would say, and I am calling it unique deliberately and absolutely seriously because first of all, to gather such a representative audience devoted to one and only idea of interaction is a profoundly unique event, in my view, given our today's background of endless divisions and splits.

Second, I regard it as unique because when at the beginning of this year, perhaps, the idea of creating CIS-wide television, the Commonwealth's television, started emerging and problems and possibilities of it started being discussed, I think that this idea caused more skepticism than optimism. The press has written a good deal calling the idea impossible and futile. I remember reaction to my letter, for instance, in which I addressed CIS leaders with these proposals.

I understand, and all this proceeded from the single idea that the CIS would not exist and, consequently, the company would not exist, either. I understand that the company's situation, in general, was a very serious one, of course. Nevertheless we have met as you can see, and although work has not been completed—far from it—if we met today at our governments' instruction in order to prepare final versions of the documents, it means that the idea is somehow alive and developing and this is very important.

[Koychubayeva] Nevertheless, passions ran high from the very start. After all, it would have been naive to believe that issues related to the rules, the concept, and the principles of interaction could have been interpreted in an unequivocal way. It is not by accident that the issue of Ostankino was described as the main stumbling block at the Minsk meeting of leaders of CIS member states.

[A.Usatyy, general director of National Radio and Television of the Republic of Moldova] The creation of an interstate television and radio company is not a strictly commercial deal; it is clear. Judging by the submitted draft documents, most attention has been paid to the economic and financial aspects. The duties of the founders are listed in great detail while their rights are set out in a very indistinct manner. I see this as the obvious desire of the current Television and Radio Company to secure an easy living for itself, if you forgive me this blunt expression. Almost nothing has been changed in the contents of its activity and only the name has been altered from state company to interstate company.

[Ya. Fridrak, first vice president of the State Television and Radio Broadcasting Company of Ukraine] In my view, the main thing has been left out here, namely the fact that the CIS is not a state and, apparently, it cannot have either television or radio of its own. Why? Because independent states, specifically my state which I represent, can have and do have various interests which differ from those of Russia or any other country, and I do not see a mechanism for preventing a bias in Ostankino programs. I will quote an example: When several pilots hijacked airplanes from Ukraine to Russia, the Ostankino Company presented this event as something almost similar to the Chkalov-Baydukov flight [famous nonstop Moscow-North Pole-Vancouver flight in 1937], whereas Kiev viewed it differently. The same thing happened when a destroyer was hijacked from Sevastopol to Odessa. Ostankino described the event as banditry, whereas Kiev viewed it differently. If a newscast is in preparation and such a piece of news arrives, what are we going to do? Call a council or wait for a presidential decision or what? I do not know; I have worked as editor in chief for information for 12 years and I am saying this on the basis of my practical experience because such a situation can take place. How could this mechanism work? Thus, Ostankino will continue to serve the system it serves now, the culture it serves now, and it seems that it cannot be otherwise.

[M. Poltoranin, deputy prime minister of the Russian Government] I would like to say a word or two. A very serious and crucial statement has been made by our Ukrainian colleague, and we must react to it. I refer to the issue of whether an interstate company is needed at all, and the idea that the CIS is not a country. It is indeed a community, and this question is very often raised. It is a topical one, and I think that we must work out a clear and precise stance here because the conference that is under way now was poorly advertised but it is very important, and I think that in significance it is equal to the sessions of the Constitutional Court taking place here in Moscow at the moment.

I am not joking when I say that. Why? Yes, we must have a clear idea of what we all are, who lives where, how many Ukrainians live in Russia, Byelarus, etc., and how many Russians live in other republics, and whether we have the right to assume responsibility and say that these people should not be allowed to watch a common channel, that they should not watch or hear their own language, their kinsmen, etc. If we do not manage this for the time being, if long work is going to have to be done

on the blueprint, discussions can still go ahead and perhaps the Ostankino company could even sign contracts with the CIS countries regarding broadcasting to individual republics, in other words regarding the provision of services.

This would be a temporary arrangement, for a short space of time while the whole interstate company is in process of being set up. I am 100 percent convinced in my own mind that the company should go ahead and be formed. We had a running start at the very beginning. You will notice that the momentum of this running start has begun to subside and centrifugal forces have started to come back, or I should say centrifugal forces have started to gain momentum and speed. Whatever happens, we are not going to go our separate ways. I apologize for the political comment, but a political question has been raised. Whatever happens, we are going to unite at some level, but in completely different qualitative circumstances.

[G. Shalakhmetov, chairman of the Kazakh State TV and Radio Broadcasting Company] I have really been most alarmed by the very serious statement made by Ukraine. I would like to express some of my veiws on this. We constantly talk of sharing property. It seems to me that, as is demonstrated by the experience of the former Soviet Union, we attempted to share things from 1917 on and no good came of it. In the same way, we have recently been trying to share the property of the former union, and this is not producing any positive results. It is just making things worse.

[Unidentified delegate] It is no more unethical than not sharing things.

[Shalakhmetov] Just a moment. I want to say this. I want to say that we should bring in the concept of joint property. What do joint property and the mechanism for joint property consist of? It seems to me that they are prescribed in these documents. In the present instance, we have the joint-stock company principle. We have to take a look at this. It is not easy for Kazakhstan to shoulder this burden. If you are talking of two billion [units not specified], we face about one billion in costs for supply and distribution of Ostankino programs. It seems to me that the expenses that the republics have to shoulder are still the cheaper option. If Ostankino programs are to foster peace and accord, that would be much cheaper than the bill we would have to pay for possible enmity, so to speak, resulting from the fact that we have shut each other out and do not see or hear one another.

In our Commonwealth area, integrationist processes are getting stronger and stronger. This is proceeding imperceptibly, and perhaps culture, and above all television, should serve as the basis for these integrationist processes. It may be that we really are discussing an exceedingly important issue for our future development and our future upturn.

[A. Stolyarov, chairman of the National State TV and Radio Company of the Republic of Byelarus] Let us be motivated by the interests of millions of our people and the opportunities that the national television and radio companies have today. There is no need to raise the question of whether there is a need for broadcasting Ostankino-produced programs. It is a fact beyond question, at least today.

[passage omitted]

[Unidentified interviewer] Statistics show that very many viewers favor the Ostankino channel. What is the significance of this? Is the channel really popular or are there some other trends at work?

[V. Vilchek, director of the "Ostankino" sociological research center] If Ostankino broadcasts were to be dropped today, the entire Russian-speaking population—not just ethnic Russians, but Russian-speaking, which means a proportion of the indigenous residents of each of the CIS countries who speak Russian—will remain effectively without a cultural life, without any artistic experiences, without information. This would create enormous strains and tensions. It would simply lead to a radical deterioration of the political situation in the republics.

But I was gladdened and even surprised a little by the fact that a very significant proportion of the indigenous populations of all the republics—Armenia was the only exception—are more positively disposed to Ostankino than to their own national broadcasting services. We polled in eight republics. The question we asked was this. If there were to be only one channel left, which would you choose? In seven of the eight, the answer was Ostankino. So many gave this reply—more than 60 percent on average—that they cannot just have been ethnic Russians. Such a percentage could not have been achieved with their votes alone.

What is the explanation? One of the reasons is that psychologically—and I do not know whether this is good or not—we are still living in the USSR. This needs to be understood. When we ask viewers: Do you think that Kiev and Minsk are abroad? The answer is: No we do not. Human ties are so strong and we are so used to thinking in terms of this enormous whole—tattered but whole—that is the Soviet Union, that people cannot think in any other terms.

[Interviewer] Do you think it correct that the countries and republics of the former Union have been keeping somewhat aloof in the discussion of these documents and the setting up of a new television and radio company?

[M. Dazhkobiya, director of TV programs of the State Department of TV and Radio Broadcasting of the Republic of Georgia] In general I think that is right, because to date the status of the republics not belonging to the CIS presupposes some other kind of commitments

and relationships with the states belonging to our Commonwealth. Nevertheless we have much time and interesting work ahead of us, and it seems to me that the participating countries which are, so to speak, foreign states could eventually, if documents acceptable to them are elaborated, become full participants in the creation of a new television and radio company.

[S. Valyulis, general director of Lithuanian Radio and Television] We are in favor of cooperation but of course on a definite state to state basis; that is on a bilateral basis. Whether it be the traditional Ostankino or whether it be an association, we shall always seek some kind of contractual basis, since cooperation in the sphere of information and culture remains very important now and will be so in the future. In addition we have two channels, Russian television and Ostankino television, and we need to reach agreement on this, or rather in general we have reached agreement on what our viewer, the Lithuanian and Russian viewer in Lithuania, will watch.

[Interviewer] What is it more important to decide now: sharing property, sharing equipment or money, or is there still, in the first place, concern about viewers' interests?

[M. Mirrakhim, chairman of state TV and radio broadcasting company of Republic of Tajikistan] At this moment, in my opinion, viewers' and radio listeners' interests should come first. The point is that the property issue should be resolved by top echelons, by heads of government, I think.

[Interviewer] In principle, the property of the former USSR?

[Mirrakhim] Yes, I think, this issue should be of interest to heads of government. No matter how much we talk about it, it will not make any difference, since we cannot distribute anything here. As of today we cannot distribute anything. We do not have the authority, but we have the right to put forward a proposal.

[K. Yalanuzyan, first deputy chief of state directorate for TV and radio broadcasting of the Republic of Armenia] It is not clear to us—I believe so far it is not clear—even after today's work what the broadcasting policy and the policy of the channels will be like. During the discussion I was convinced that this is a major issue which gives rise to disagreements in approaches by the participants in the conference. The second issue, since this is a joint-stock company, it is necessary to clarify the property in some form, to clarify the amount of property and to clarify the share of each state and after that to regard this share as the joint authorised capital. I think that if the amendments proposed here are taken into consideration, Armenia will sign these documents.

[Interviewer] Cooperation possibilities exist between national television and radio companies and Ostankino and other companies. The following situation is taking shape here; on the whole there is nothing locally to enable the work to go ahead.

[N. Rakhmatullina, director of television programs of state TV and radio agency attached to Government of Republic of Kyrgyzstan] It seems to me, a more forward-looking way for each national television and radio company is still to look for ways to buy this equipment independently, and this is what we are doing at present. We are trying to establish contacts with Turkey; we are trying to make use of Japanese proposals. Well, the Americans [pauses] You understand, many television and radio companies approach our region because everybody is trying to fill the gap which might suddenly turn out to be empty.

[Interviewer] Can the problems that are being discussed here today influence our cooperation in any way?

[M. Siymann, general director of Estonian Television] Well, I think they can. We are very interested in broadcasting the channels of both Russian television and Ostankino and also the channel of the new company in the future.

Unfortunately, in the conditions which are being mentioned here now we will not be able, perhaps, to become full-fledged members of the new company in the near future. But we are very interested in cooperation on a reciprocal basis.

[S. Alysharly, first deputy chairman of the Azerbaijani National Television and Radio Broadcasting Company] Azerbaijan has not yet decided to join the CIS; anyway, there is no signature by the Azerbaijani Republic on this document. Our television service would not like to preempt the Azerbaijani leadership, but we have concrete proposals with the Ostankino television channel. I think that we will work together, after all, perhaps, not as a full member of the company but in some other form this work will continue, it seems.

[Unidentified speaker] [passage omitted]

[Yakovlev] This is the first time that I have understood how difficult it is to discuss these documents point by point. It is like pulling a hippo out of a swamp, and we had a big hippo; that is a whole package of constituent documents for the future company. It turned out to be an incredibly difficult task but it ended normally, and a very curious fact was that during the first break after the first sitting many sympathizers came up to me and said: Yegor, everything looks so bad, nothing will come of it; it is the end, etc. Well, it is, perhaps, a usual start for the discussion of any international documents, when people begin by negating and only later start to work toward agreement.

[Interviewer] What will the viewers see in the future thanks to this change?

[Yakovlev] You see, the main thing for me is the following: despite having reiterated many times today that we wanted to be attentive to other states and that we wanted to carry out Yeltsin's decree stating that the Ostankino company is a company devoted to the processes which are taking place in the CIS, we still remain

a station which broadcasts from Moscow all the same, whether we want this or not. On the whole, we have been unable to overcome this for the time being. I think that if such a company emerges with very serious branches in each independent state, we will be able to get rid of this Ostankino birthmark.

[Interviewer] How is it possible, in your view, to receive better quality information, both in terms of picture quality and depth and objectivity, from the regions to Moscow in order to transmit it to others?

[Yakovlev] Well first of all, this should be made possible by setting up proper posts for correspondents locally. Second, there was a great deal of discussion today about the way information was going to be interpreted in each state, to what extent this will be satisfactory, etc. What we are doing today in this respect is the following: for example, we give information on Nagorno Karabakh from Azerbaijan which is immediately followed by information from Armenia, and we believe that we have attained objectivity by this, but viewers call us and ask: All right, you presented the views of the two sides but I would like to know how things really are. For the time being such information only shows that in reality everything was different, you see. So there should be a big time information concept which should be based on departure from commentaries and on bringing in as many facts and information as possible, I believe.

[Interviewer] We would like to hear from you about guarantees ensuring that the new international company will be different from what central television and republican televisions used to be.

[Yakovlev] You see, the thing is that there can be no guarantees in this life. For instance, some people say that one or another decision should be adopted, but any law can be repealed, amended or simply reduced to zero. I said today that the All-Russian Central Executive Committee had included representatives from all republics but this had not changed the matter. I think that public opinion can be the only guarantee. Public opinion will not put up with Ostankino if it continues to broadcast only Moscow's point of view. If it is a company working for the viewer, for its rating and respect, it will act accordingly. You see, many constituent documents can be drawn up and many provisions can be entered but either this company enjoys respect and prestige—and then it will indeed try to work in order to benefit, not to harm independent states—or it will have no proper rating.

[Interviewer] So we can congratulate both ourselves and yourself.

[Yakovlev] I think it is much too early for this yet.

Documents Initialed

PM0308090492 Moscow KOMSOMOLSKAYA PRAVDA in Russian 30 Jul 92 p 1

[S. Romanyuk report: "How To Divide Up Ostankino: Politicians Still Feel Cramped in Our Information Area"]

[Text] The Ukrainian delegation took French leave from the conference of leaders of national television and radio companies. Its example was followed by the Moldovans. The reason was banal: They had to catch their flights.

It was pure coincidence that it was these two delegations which raised the greatest objections to the founding documents of the "Ostankino" Joint-Stock Company. A Ukrainian representative tried several times to persuade his colleagues that the Russians had hatched a shady deal, since 62 percent of the shares will be in their hands and any opinion held by the other republics could be ignored. He proposed two possible ways of resolving the problem. The first is to determine each state's share in the material assets of "Ostankino" and distribute shares among them on that basis. Second, every founder member should be given an equal number of votes.

Yegor Yakovlev described this proposal as unacceptable. Since 26 April "Ostankino" has belonged to Russia, and Yeltsin's decree on this score has not been contested by anyone. Talk about division is possible only if account is taken of how many resources have gone on constructing television centers in Kiev, Chisinau, Alma-Ata, etc.; you add everything up and allocate a share to everyone from the total. No one is likely to benefit.

Despite the Ukrainian representative's absence from the signing of the documents (the leader of the Moldovan delegation was able to sign before leaving), the participants in the final news conference attached no special significance to this. It was only a question of initialing them. The final decision on the future of "Ostankino" will be made in September in Bishkek, where the CIS leaders meet for their next meeting.

Other issues were discussed during the meeting. There was notably discussion about the possible introduction of a subscription payment, the attraction of Western advertisers, the principles governing the formation of a network of correspondents, etc.

Next Meeting in Bishkek

PM3107125592 Moscow IZVESTIYA in Russian 31 Jul 92 Morning Edition p 2

[Sergey Taranov report: "CIS States Create Interstate Television Company"]

[Text] Representatives of nine of the former USSR's republics signed working documents and endorsed an agreement setting up the Interstate Television and Radio Company [ITRC]. The intention is for the final agreement on and charter of the new mass medium to be ratified at a meeting of the heads of state in Bishkek in two months.

Nowadays people not only lack cash and affordable sausage, but the independent states' attempts to block out broadcasting from Moscow with their own programs and channels or even black it out are already threatening revolts and

serious social conflict. It is becoming obvious to the politicians that it is far more difficult and painful to divide up a single information space than to place boundary markers on state borders. Moreover the professional and technical standard of former Central Television's cadres and programs is objectively superior to that of individual republic and regional television services.

Representatives of nine states—Azerbaijan, Armenia, Byelarus, Kazakhstan, Kyrgyzstan, Moldova, Russia, Tajikistan, and Uzbekistan—signed the documents produced by the meeting in Moscow 29 July. The Ukrainian delegation simply did not have time to do this as it had to leave for Kiev on urgent business. But the meeting's participants pointed out that they had no disputes in principle with the Ukrainians and that their colleagues from Kiev would most likely sign the agreement a little later.

Representatives of Georgia, Estonia, and Lithuania attended the meeting as observers, but did not state a desire to become founders of the ITRC. Skirmantas Valiulis, general director of the Lithuanian Radio and Television Company, told a BALTFAX correspondent that "his company would develop bilateral relations with the newly created ITRC on the basis of interstate treaties." In turn Mart Siiman, general director of the Estonian Television Company, explained that financial difficulties would prevent Estonia from receiving three channels from Russia and that only one channel—Russian Television, "Ostankino," or the new ITRC—would in all probability be transmitted.

Incidentally, you should not think that the ITRC will totally supplant "Ostankino," which is actually Russian. All that was discussed was the joint use of the "Ostankino" technical base and the creation of a really new company in the form of a closed joint-stock company where each founder republic would have its own share and, in particular, cover broadcasting costs on its territory. The "Ostankino" television company will be Russia's contribution to the ITRC incorporation capital.

It is quite possible that, given this approach, in time the ITRC will go beyond the CIS and become an international company. Yegor Yakovlev said that Bulgaria and Czechoslovakia could be the first candidates for founder membership [uchreditelstvo].

Georgian Official Doubtful

LD0208160392 Moscow Russian Television Network in Russian 0955 GMT 2 Aug 92

[From the "Vesti" newscast]

[Text] (Manana) Dazhkobiya, leader of the Georgian delegation at talks on the Ostankino TV company's fate in Moscow, said in a republican TV interview on 1 August that Georgia's help in creating the new TV and radio company remains in doubt and that Georgian TV viewers must decide that question directly. She said that Tbilisi has yet to refuse to receive the Ostankino TV channel. The republican government will find the resources to finance reception of the signal from Moscow should the need arise.

Ukraine Officers 'Breaking Down' Dagomys Pact

OW0408162992 Moscow INTERFAX in English 1559 GMT 4 Aug 92

[Transmitted via KYODO]

[Text] The commander of the Black Sea Fleet Admiral Igor Kasatonov has sent a letter to the chairman of the Union of Officers of Ukraine (UOU) Colonel of Militia G. Omelchenko demanding "to stop destructive activity of the primary organizations of the UOU on vessels, in units of the Black Sea Fleet as extremely politicized and aimed at breaking down of the Dagomys agreement".

In particular, the letter states that the Union founded in July 1991 was primarily oriented on solving tasks connected with social security of officers and members of their families. At present the UOU has become extremely politicized and is full of the spirit of nationalism. The outcome of the last UOU congress testifies to this fact as 20% of 200 deputies called Russia enemy under number one, 7%—Poland and Romania, 3%—Turkey, and only one deputy mentioned the U.S. among potential adversaries.

The military council of the Black Sea Fleet has documentary materials testifying "to subversive activity of the union" at its disposal. The letter attracts attention of the chairman of the UOU "to obvious violation of the law on public organizations and unlawful actions of the officers incompatible with their status".

Reaction to Black Sea Fleet Agreement Reported

LD0408221492

[Editorial Report] The following is a roundup of reports monitored by FBIS London Bureau on 4 August on reaction to the Russian-Ukrainian agreement to take control of the Black Sea Fleet adopted by Russian President Boris Yeltsin and Ukrainian President Leonid Kravchuk in Mukhalatka on 3 August.

Russian Committee Secretary Hails 'Great Achievement'

Moscow ITAR-TASS in English at 1734 GMT reports: "The results of Monday's [3 August] meeting between Russian President Boris Yeltsin and Ukrainian President Leonid Kravchuk were described by secretary of the Russian parliamentary committee for defence and security Valeriy Shuykov as 'a great achievement'.

"'Members of the committee voiced the opinion that there was an opportunity to achieve an agreement, and we made recommendations for the purpose,' he told ITAR-TASS on Tuesday.

"Shuykov believes it is possible now to negotiate the issue as to which ships will belong to the Ukrainian and the Russian fleets. 'It is also possible to come to terms on the Fleet's bases, for instance, according to the following variant: Russia is to lease some bases from Ukraine,' Shuykov suggested."

Russian Committee Secretary Sees End to 'Split Among Republics'

In a report at 1604 GMT, TASS reports: "Chairman of the Russian parliamentary committee for international affairs and foreign economic relations Yevgeniy Ambartsumov told TASS on Tuesday that he welcomed an agreement on the Black Sea Fleet reached between the Russian and Ukrainian presidents.

"Ambartsumov believes a decision to place the Black Sea Fleet under joint command is a signal that the 'split among Republics has come to an end' and a new stage began, a 'cautious movement towards some possible confederation'.

"Ambartsumov pointed out that the decison adopted by the two presidents, is based on proposlas made at meetings of the Black Sea Fleet's officers and not imposed on the Fleet's servicemen from above.

"'It is important to avoid abrupt turns in the future and treat each other with understanding,' Ambartsumov said.

"'We cannot help remembering that the Black Sea, the Crimea and the Black Sea Fleet are inseparable from Russia's history,' Ambartsumov added."

Ukrainian Rukh Movement Finds Agreement 'Incomprehensible'

Moscow Programma Radio Odin Network in Russian at 1800 GMT reports: "The People's Rukh of Ukraine gives an overall positive assessment of the meeting between Leonid Kravchuk and Boris Yeltsin and of the signing of an interstate agreement in the Crimea, Rukh Deputy Cochairman Aleksandr Lavrinovich told a news conference today. However, he did note that the agreement on the Black Sea Fleet was incomprehensible. It passed from one united command to another. Rukh feels that Ukraine will be without a fleet of its own for several more years because of the accord that was reached. This is not to the Movement's liking. However, as Aleksandr Lavrinovich believes, it is too early to reach definitive conclusions."

Ukrainian Republican Party Issues Appeal on 'Loser's Agreement'

Kiev Ukrayinske Telebachennya Television Network in Ukrainian at 1800 GMT reports: Ukrainian Republican Party Chairman Mykhaylo Horyn reads the following Ukrainian Republican Party appeal over the talks between the Russian and Ukrainian presidents:

"The Ukrainian Republican Party's position has always been directed at creating a state. The institution of president is a source of stability both in Ukraine and in the entire world. Proceeding from this, the Ukrainian Republican Party is not oriented toward a specific person holding the post of president but toward presidential power as a guarantee of stability in the state and in society. However, the Ukrainian president's stand during the meeting with the Russian president and the agreements signed cause our indignation. One more antistate step toward a new unification according to the model of the former USSR was made in Yalta on 3 August. The Party's stand on the Black Sea Fleet is clear and cannot be changed. The act proclaiming Ukraine's independence states that everything on its territory belongs to the Ukrainian people. This includes the Black Sea Fleet, which is based in Ukrainian ports. The agreements between Kravchuk and Yeltsin contradict Ukraine's national interests and lead to hegemony of the modern Russian empire in the Black Sea basin. As recently as at the end of July, Pudovkin, leader of a group of observers of the Russian Federation's Supreme Soviet and official representative of the Russian parliament, expressed direct territorial claims of his country to Sevastopol. I quote: We, a group of Russian observers, want to state that they will fail to implement the crawling Ukrainianization with the Black Sea Fleet in Sevastopol. This glorious city was, is, and will be the base of the Russian fleet.

"The Ukrainian variant of the agreement was rejected categorically by the Russian president. Yeltsin's statement that the presidents will think of a flag for the joint Fleet is also unprecedented. Boris Yeltsin has probably already thought of a flag for a united Ukrainian-Russian state. Or has he postponed it until a meeting in September? The Ukrainian Republican Party considers the Black Sea Fleet agreement an absolute loser's agreement. First, the agreement can reduce to zero all measures directed at creating Ukraine's naval forces. It is an unconditional step back as one cannot see the way to implement the agreement without Ukraine unilaterally abolishing its initial steps to create its own naval forces. Second, the agreement fosters strengthening anti-Ukrainian forces in the Crimea and can lead the Crimea to the legal status of a joint protectorate of Ukraine and Russia and then to a complete separation from Ukraine. Third, the agreement creates conditions for the base of Russian imperialism on Ukrainian territory and can become a catalyst factor of separatist sentiments in southern Ukraine. Fourth, the most important thing is that the agreement will secure virtual coincidence of military spaces of Russia and Ukraine and objectively leads to Ukraine gradually losing its state independence and merging with Russia in the context of agreements on common economic and information space. The Ukrainian people's will to independence is consolidated by the 1 December 1991 referendum. Does the president have the right to be subjected to pressure and waive interests of the state whose people elected him to be its president? President Kravchuk's personal conduct is also surprising because the president should constantly remember, including when being in front of video cameras, that he represents an influential, independent, European state.

"Considering all this, the Party appeals to the Ukrainian Supreme Council with a demand to recognize this agreement as one that does not correspond to Ukraine's national interests as a sovereign state and to abolish it."

Kazakh Legislator Expresses Concern Over Agreement

ITAR-TASS in English at 1550 GMT adds: "There are doubts if Boris Yeltsin's and Leonid Kravchuk's decision of Monday to withdraw the Black Sea Fleet from under the command of the Commonwealth is in keeping with the common stand of the CIS countries. These doubts were expressed by Sergey Subbotin, deputy chairman of Kazakhstan's parliamentary committee for national security and defence, who is now in Moscow.

"'The question of the Black Sea Fleet certainly concerns Russia and Ukraine first of all. But the fleet was formed with the participation of all Republics of the CIS', Subbotin told ITAR-TASS.

"Without dwelling on political and military aspects of the agreement, Subbotin said that the navy is common property, and the question of the Black Sea Fleet has the bearing on economic interests of all the Commonwealth countries, Kazakhstan included."

Status of Ukraine-Built Warship in Dispute

PM0408114592 Moscow KRASNAYA ZVEZDA in Russian 1 Aug 92 p 2

[Aleksandr Pilipchuk report under the rubric "We Give You the Details": "How the Pridneprovye Became the Slavutich"]

[Text] The mass media have disseminated information that the Ukrainian flag has been raised in Nikolayev above a reconnaissance ship, the Slavutich, which was launched here and will be used here as a Ukrainian naval forces directorate ship. The republic's first warship to be built at the Black Sea shipyard is being called the Slavutich. However, taking into consideration that it takes five to seven years to build a ship, you can assume that its keel was laid and it was built largely before the Union's collapse.

As we have found out from well informed sources, the ship, which originally bore the name Pridneprovye, had its keel laid in 1987 and until December 1991 being built at the expense of the USSR state budget from capital appropriated for the Ministry of Defense to purchase military equipment. In December 1991 the ship's technical readiness stood at 70 percent, on which 45.4 percent of the appropriated capital had been spent. Of the suppliers of basic equipment, 75 percent of the enterprises were Russian and 22 percent were Ukrainian.

The ship's crew was formed in the Northern Fleet and arrived at the yard the end of 1991. In May 1992, the ship repair yard's leadership under instructions from the Ukrainian Ministry of Defense stopped the crew having access to the ship, and in June a Ukrainian crew was hurriedly put together. A telegram from the commander of the CIS Navy and the chief of the Main Naval Staff to the Ukrainian minister of defense requesting him to refrain from taking such a step until the end of negotiations between Russia and Ukraine had no result.

CIS Interior Ministers Meet in Kyrgyzstan

LD0308101292 Moscow Teleradiokompaniya Ostankino Television First Program Network in Russian 0800 GMT 3 Aug 92

[From the "Novosti" newscast]

[Text] A meeting of ministers of internal affairs of CIS states is beginning on the shores of Lake Issyk-kul in Kyrgyzstan.

Representatives of all independent states apart from Lithuania are taking part in the work. Representatives of Moldova, Latvia, Estonia, and Azerbaijan are present at the meeting in the capacity of observers.

The participants will try to elaborate a joint program for combating crime. The plan includes the setting up of a unified data bank on crime, whose representatives—incidentally, unlike law enforcement bodies—have been acting in a coordinated way for a long time now on the territory of the Commonwealth.

Law Officials Meet

LD0508101992 Moscow Teleradiokompaniya Ostankino Television First Program Network in Russian 1100 GMT 4 Aug 92

[From the "Novosti" newscast]

[Text] A meeting between the leaders of the Ministries of Internal Affairs and the police of the countries of the former Union has taken place in Bishkek.

[Correspondent V. Fedorov] There is no better place for successful talks at the beginning of August than the North bank of the Issyk-Kul [lake in Kyrgyzstan]. For a full gathering of the former Soviet republics, only Lithuania is missing. Latvia and Estonia are here as observers. An agreement has been signed on cooperation in information exchange and on the provision of material and technical resources and special technology. Bilateral agreements on cooperation have been concluded between the Ministries of Kyrgyzstan, Ukraine, and the Baltics.

[Z. Chevers, Latvian Police Minister] A situation could arise where we are at a meeting here and the criminals are also in a meeting somewhere else. That cannot be excluded. Policemen and thieves—these are the realities and we need to take them into account. The question is what the speed of information will be, what the basis for information exchange will be, what resources we will be able to give each other for assistance in the battle against our criminals. We recently detained a criminal on our

state's territory, in Latvia, who was carrying out contract killings in three CIS countries.

[Fedorov] Will the people on the other side of the law tremble after the signing of this agreement?

[M. Dzhafarov, deputy minister of the Azerbaijani Ministry of Internal Affairs] I think that they should tremble anyway in the face of our common, united efforts.

Space Officials View Kazakh Concerns on Baykonur

LD3107191792

[Editorial Report] Moscow Radio Rossii Network in Russian at 1040 GMT on 29 July broadcasts a recorded program presented by Anna Kiseleva, who returned from Baykonur yesterday, on the situation at the cosmodrone. She starts by looking at the Soviet-French space flight in the context of the future development of the CIS space program. After making some general remarks about the tasks of the present mission and interviewing a French official, she speaks about space cooperation with the countries of the former Soviet Union.

In this regard she says the following: "Another aspect of cooperation, which probably worries us more, is the relationship with countries of the former Soviet Union. The position is this. The main production facilities and intellectual potential of the space industry are concentrated in Russia. Some of the capacity is located in other CIS countries, in the Ukraine, Azerbaijan, and Byelarus. The Baykonur cosmodrome, the principal and in many respects unique launchpad of the former Union, is located in Kazakhstan. Obviously the former Soviet Republics need to work together so that the space infrastructure which has been developed can produce a return. Some months ago a document on cooperation in space was signed by nine CIS countries. Here is what Colonel General Vladimir Ivanov, commander of the space units, has to say about this:"

Ivanov's recorded remarks are as follows: "This document, which was the first to be signed on utilizing space, marked the beginning of cooperation between the independent states of the former Soviet Union. The signature of the Ukrainian president was missing. But President Kravchuk of the Ukraine signed the document today. That's his way of doing things, I think. At the last meeting in Tashkent the utilization of space infrastructure was also discussed. A document was also signed there. It was signed by Fokin, prime minister of the Ukraine.

"Bilateral agreements are being drafted at the moment. Russia and Kazakhstan have set an example. The presidents of the Russian Federation and Kazakhstan, Boris Yeltsin and Nursultan Nazarbayev, signed a special agreement on cooperation and, specifically, arrangements for the use of the Baykonur cosmodrome. We are making confident progress—albeit gradually and step-by-step—toward ensuring that we do not destroy the infrastructure which was created in the past but which is still being used in our efforts to resolve our tasks in space. We intend to go on using these facilities for our tasks, the tasks of the inter-state program, for solving those future problems involving cooperation with countries of the former Soviet Union and those further afield."

Kiseleva then notes: "There is another aspect of the problem that one might prefer to keep quiet about. But you cannot drop words from the song, as the saying is. From time to time the Kazakh side complains that the owners of the land on which Baykonur stands are treated with insufficient respect. The Russians are ungrateful. They launch their spacecraft but what do we get in return? I feel that Yuriy Semenov, the general designer of the renowned Korolev firm, the main space and scientific production association known as Energiya, answered these charges in a worthy manner."

Semenov's recorded remarks are as follows: "This year Russia allocated about R[ruble]2 billion. Realizing that these funds would be insufficient, the Energiya scientific production association earmarked R1 billion from its own resources, earned from its commercial activities, and allocated this money to the Mir-Soyuz-Progress program. This comes to R3 billion altogether—approximately R250 million of which we are allocating to Kazakhstan, for power production, the railway and social questions. Everything that has been built here was built by the former Union for the Energiya-Buran and Mir programs. All the social facilities were built by it and are being maintained by it. We have reached agreement with Kazakhstan. I had a meeting with Nazarbayev in May. We agreed that all our contributions would continue to go exclusively to Baykonur, to the town of Leninsk and to specific social projects, like the railway, bathhouses, hotels and so on. These are specific questions. Otherwise we will not be speaking the same language."

Kiseleva goes on: "From the next launches 15 percent of commercial profit will be spent on the needs of the town of Leninsk, where the people servicing Baykonur live. So, this question should not become a stumbling block in what has become international cooperation among us. But, in conclusion, I wish to say that preparations for the flight of the Russo-French crew proceeded under three flags—those of Russia, France, and Kazakhstan." She concludes by describing the flags.

Harvest Up 15 Million Tonnes From 1991

OW0408143492 Moscow INTERFAX in English 1344 GMT 4 Aug 92

[Transmitted via KYODO]

[Text] The CIS states will reap about 170 million tons [tonnes] of grain this year instead of the expected 155 million tons, the CIS's Statistics Committee informed IF [INTERFAX]. Kazakhstan which is expected to harvest 27-29 million tons (against 12 million tons last year) will account for almost entire increment.

According to the forecast, Russia and Ukraine will harvest as much as they did last year (Ukraine - 37-39 million tons and Russia - 90-93 million tons).

Byelarus will reap less grain than last year - 4-5 million tons instead of the expected 6.3 million tons.

The Statistics Committee reports that the harvesting campaign proceeds more slowly than planned. By July 27 Ukraine had thrashed 14.2 million tons of grain (against 22 million tons last year) and Russia - 13.5 million tons against 39.5 million tons last year.

By last Monday, the CIS states had harvested 34 million tons of grain which was two times less than last year.

ITAR-TASS Carries Press Review for 5 Aug

LD0508060592 Moscow ITAR-TASS in English 0547 GMT 5 Aug 92

["Press Review"—ITAR-TASS headline]

[Text] Moscow August 19 ITAR-TASS—Today's newspapers highlight the visit of Russian President Boris Yeltsin to Bulgaria and a treaty on cooperation and friendly relations signed bewteen the two countries.

The KOMSOMOLSKAYA PRAVDA newspaper writes that both Bulgaria and Russia need the treaty not only because the economies of the two countries are closely connected. Having signed the treaty, Russia reminded the world of its traditional interests in the Balkans and the Black Sea region, while Bulgaria has faced the danger of being squeezed by "a Muslim hoop", encountering instability in the neighbouring regions, primarily in what was to be Yugoslavia, and the growing Turkish influence, the newspaper writes.

Therefore, Russia could become its only ally, the newspaper added. It also draws the attention to the military and technical cooperation between the two countries envisaged by the new treaty and points out that "Bulgaria will buy weapons in Russia and, consequently, will be more orientated to Russia in the military sphere.

The newspapers continue commenting on the results of a meeting between the Russian and Ukrainian presidents in the Crimea. The KRASNAYA ZVESDA newspaper writes that the meeting set an example of mutual understanding at the highest level. Admiral Igor Kasatonov, commander of the Black Sea Fleet, assessing the results of the talks, said the signed agreements promote the stabilisation of the situation in the Black Sea Fleet and outline clear prospects for the fleet's servicemen.

At the same time the KRASNAYA ZVEZDA newspaper warns against considering the problem closed. Forces may appear which will try to take advantage of unavoidable difficulties of the fleet's "double subordination", the newspaper said referring, in particular, to the Union of Ukrainian Officers, characterised by nationalistic tendencies and which is carrying out "subversive activities".

The newspapers also widely comment on economic problems.

"Gaydar's reforms suffered defeat in theirt main direction—a considerable reduction of state financing of enterprises," the NEZAVISIMAYA GAZETA writes.

A telegram sent on July 28 by the Russian Central Bank calling to grant credits to state enterprises to settle their mutual debts, turned out to be "the end of Gaydar's epoch, or the first stage of liberal reforms in Russia," the newspaper said.

Over 600 billion or one trillion roubles will be needed to overcome the crisis of mutual debts, and the state, in fact, is leagalising the hidden monetary emission which was exercised by some 150,000 enterprises by means of exorbitant prices of goods, the newspaper said.

"The restoration of former state control over industry might become the government's next step," the newspaper believes.

The ROSSIYSKAYA GAZETA, commenting on the Russian government's decision to resume the practice of state subsidies for food products, points out to the danger of the growth of the budget deficit. Although the newspaper admits that these measures will to some extent help alleviate a difficult situation in the purchase of agricultural goods, it points out that over 200-250 billion roubles, or, taking into account new purchasing prices, up to 400 billion roubles, will be needed for additional subsidies. To do so, the government will have either to free prices on bread, meat, milk, or to increase the budget deficit, the newspaper said. A forced decision on sibsidies deals a blow to the government's own economic reforms, the newspaper said.

An obvious model of hyper-inflation is again offered as a remedy to save Russia, the NEZAVISIMAYA GAZETA writes, commenting on Tuesday's presentation of an alternative economic programme suggested by the Russian Civic Union.

Konstantin Zatulin, member of the entrepreneurs' council under the Russian president, in an interview with the NEZVISIMAYA GAZETA criticises the leaders of the Civic Union Arkadiy Volskiy and Aleksandr Vladislavlyev.

According to Zatulin, the activity of the Civic Union is aimed at paving the way for the state capitalism. Zatulian also warns that the fate of reforms in Russia is at a cruicial point. Little has been left of Gaydar's former team, and it is not a team any more, Zatulin said.

Taking into account the government's last decisions, there is the danger of returning to a comprehensive state control over economy. Anti-market elemnts may appear in governinmg bodies, which are acting rather ambiguously, zlobin said.

The newspapers continue commenting on the situation in "hot" spots, particularly in Abkhazia.

The KRASNAYA ZVEZDA draws a comparison between the developments in this autonomous repblic and a decision of its parliament to repeal the 1978 constitution and restore the 1925 constitution, followed by a resolution by the Georgian State Council to render the decision invalid, with a conflict in South Ossetia, which began with similar actions by the sides.

The KRASNAYA ZVESDA warns that unless a compromise is reached in the near future, there will be an escalation of tension in Abkhazia, a repetition of the Tskhinval variant.

A shadow of the developing conflict is acquiring ethnic forms, the KOMSOMOLSKAYA PRAVDA newspaper writes. The newspaper holds the view that the Abkhazian problem is the only thing which can make Tbilisi and Megrelia, i.E. supporters of Eduard Shevardnadze and Georgian ex-President Zviad Gamsakhurdia, come to terms. Megrels, who make up 47 per cent of the abkhazian population, are against Abkhazia's cessation from Georgia, the mewspaper said.

The ROSSIYSKAYA GAZETA carries an article by V. Yelagin, adviser of the Russian Foreign Ministry Press and information Department, which says that Russian leaders are prepared to strictly abide by the fixed schedule of the withdrawal of troops from Poland.

Describing numerous comments made by the polish mass media on the problem, and claims to the Russian side, Yelagin pointed out that "one can get an impression that definite circles in Warsaw are inciting a hostile attitude of the Polish population towards Russian servicemen in an attempt to conceal their own faults by not fulfilling mutual agreements on the withdrawal of Russian military units."

Case Histories of Missing U.S. Citizens

PM0408160092 Moscow IZVESTIYA in Russian 5 Aug 92 Morning Edition p 5

[Valeriy Rudnev report, incorporating "reconstructed biographies" from U.S. missing persons on Volkogonov list: "Special Commission and Russian Security Ministry Seek Those Whom the KGB Hid"]

[Text] IZVESTIYA (No. 173) published a report by Dmitriy Volkogonov, cochairman of the Russian-U.S. commission on the affairs of U.S. prisoners of war and missing persons. This account spoke about the discovery by Russian Security Ministry personnel of documents testifying that Americans were forced to apply for Soviet citizenship. There is hope, D. Volkogonov believes, that many of those U.S. citizens are still alive. Lists have been published in the press (ROSSIYSKAYA GAZETA No. 172). In this connection, the Russian-U.S. commission appeals to them and to anyone who knows what happened to them to write or call the commission: 103132, Moscow, Ilinka, 12; telephone (095) 206-3304.

Although the published lists do not relate directly to U.S. prisoners of war of the period of World War II and the Korean and Vietnam wars (at least, the names cited do not appear on the list of 3,752 people sought by the U.S. side), they have aroused enormous interest in the Western media. Our colleagues from U.S. newspapers and television assessed highly the initiative of the Russian state security officers and General D. Volkogonov in opening up more widely the problem of missing U.S. citizens. This attitude, people in the West believe, will make up for the injustice committed against people and will offer an opportunity to restore the family ties and civil rights that were grossly violated by the USSR's special services earlier.

The fact that the USSR KGB flouted human rights in its activity is indicated by several documents made available to IZVESTIYA by Russian Security Ministry officers General Anatoliy Krayushkin and Colonel Vladimir Goncharov. These take the form of a top secret correspondence between the chairman of the Ukrainian Soviet Socialist Republic Council of Ministers KGB and the deputy chief of the Second Main Directorate of the USSR Council of Ministers KGB, dated 1954. The correspondence deals with secret surveillance and the cutting off of contacts with relatives from the United States. Those who did not succumb to gross pressure and blackmail by the Soviet special services could expect the Special Tribunal [of the NKVD] and the GULAG. This correspondence also served as the basis for drawing up the list published by D. Volkogonov.

By way of an "illustration" of the list, we cite below some reconstructed biographies.

Mariya Koretskaya (Kolodiy): Visited U.S. Embassy

Mariya Vasilyevna Koretskaya (Kolodiy), born 1919, native of New York City (America), citizen of the USSR, not a party member, secondary education, married, no previous convictions, works as a teacher at Slovity primary school, lives in Slovity village, Glinyanskiy Rayon, Lvov Oblast.

Koretskaya's parents, Vasiliy and Gekla Kolodiy, left for the United States in 1914. Her father is dead, her mother lives in New York.

In 1940, Mariya Kolodiy married Teodor Mikhaylovich Koretskiy, born 1908, native of Leshchin village, Bobrskiy Rayon, Lvov Oblast, who graduated from the Lvov Veterinary Institute during the German occupation. During the retreat of the German troops, T.M. Koretskiy fled to Germany together with the Germans and later left for the United States. Teodor Koretskiy is in America, at the home of his brother Maksim Koretskiy, who went there in 1914 and is actively engaged in nationalist activity against the Soviet Union.

The Slovity Rural Soviet gives a good account of Mariya Koretskaya (Kolodiy) as a teacher who takes part in the public life of the collective and in measures implemented by the party and the Soviet Government. But following Koretskaya's visit to the U.S. Embassy, certain anti-Soviet views were expressed, and she also expressed the hope of meeting with her relatives, looking toward the outbreak of war between the United States and the USSR in the near future. Koretskaya continues to maintain written contact via Poland with relatives living in the United States, and has received parcels from them.

From the Editorial Office: Mariya Koretskaya's subsequent fate is not known. Archive searches are continuing at the Russian Security Ministry.

Irina and Anna Berko (Documents Confirming Their Identity Not Available

Irina Mikhaylovna Berko, born 1925, native of Broddek [as published], United States, Ukrainian, educated to 10th grade, unmarried, lives in Rodatychi village, Gorodokskiy Rayon, Lvov Oblast. Her mother—Anna Konstantinovna Berko, born 1890, native of Malkowice village, Przemysl district, Poland. As a Polish subject, A. Berko married Andrey Yaremko, with whom she left in 1910 to seek work in America. There she divorced Yaremko and married again, to Mikhail Berko, an American subject, with whom she moved to Poland in 1938. In 1944, Mikhail Berko died.

Irina and Anna Berko stated in an interview with an operations staffer of the Ukrainian KGB on 20 November 1954 that they do not wish to fulfill the authorities' instruction on resettlement from the Polish village to the USSR, but that they intend to submit a petition through the U.S. Embassy in Moscow for permission to leave for America.

I.M. Berko's stateless person's residence permit was incorrect documentation, since she came to the USSR from Poland under an agreement of 6 July 1945; consequently, on the basis of Ukrainian SSR Ministry of

Internal Affairs [MVD] Militia Administration Directive No. 1-10/3121 of 30 May 1947, Berko's residence permit was confiscated and her U.S. passport No. 580178, issued in Washington (United States) 31 August 1938, was sent to the OVIR [Visas and Registration Department] by the Ukrainian SSR MVD Militia Department.

Investigation also established that Irina Mikhaylovna Berko and Anna Konstantinovna Berko presently have no documents in their possession confirming their identity, are not working anywhere (these two circumstances, under Soviet laws of that time, were grounds for criminal proceedings—V.R.), and have no property or real estate, and that their sole means of existence is the sale of personal possessions.

From the editorial office: The subsequent fate of Irina and Anna Berko is not known. Archive searches are continuing at the Russian Security Ministry.

The Trail Leads to Pecherlag

Sofya Vikentyevna Kazanskaya, born 1913, native of Detroit (America), was sentenced by the Special Tribunal of the USSR NKVD, protocol No. 13 of 27 April 1946, and was dispatched 30 November 1946 to the MVD's Pecherlag camp, Obez Station, Severopecherskaya Railroad. We will report later concerning the whereabouts of S.V. Kazanskaya after her sentence has expired. [Signed] Chairman of the Ukrainian SSR Council of Ministers KGB.

From the editorial office: The subsequent fate of Sofya Kazanskaya is not known. Archive searches continue at the Russian Security Ministry.

Kozyrev 'Glad' To See Baker Letters Published

MK0408105592 Moscow MOSKOVSKIY KOMSOMOLETS in Russian 1 Aug 92 p 1

[Yuriy Zaynashev report: "A Secret Agent Scouting Out the Foreign Ministry?"]

[Excerpts] Yesterday in the heat of high noon the top men in the federal executive and government journalists met together at the Russian press center on Pushkin Street. [passage omitted]

The newspaper DEN is making a habit of publishing secret Foreign Ministry correspondence. I asked [Russian Foreign Minister] Andrey Vladimirovich Kozyrev in what direction the ministry's counterintelligence people are looking.

"I'm afraid we have inherited the old apparatus, and we do not know what skeletons we have in the closet or what kind of covert own correspondents we have accredited at the Foreign Ministry," the minister lamented. "The president himself sent Security Ministry personnel Thursday to investigate this. At the same time, though, I am glad that my friendly correspondence with James Baker has been published. The public ought to know how closely and thoroughly we are consulting with the Americans on all important questions. [passage omitted]

Reports on Yeltsin Visit to Bulgaria

Statement at News Conference

LD0408211592 Moscow Russian Television Network in Russian 1926 GMT 4 Aug 92

[Opening statement by President Boris Yeltsin at joint news conference with Bulgarian President Zhelyu Zhelev in Sofia on 4 August—recorded]

[Text] Respected Mr. President, respected ladies and gentlemen:

I, like our delegation and the leadership of the Russian Federation, attach very great importance to the treaty signed today. It is with great regret that I have to say that during the year in which the former Soviet Union was disintegrating, until Russia gained independence, those contacts that were traditional for 1,000 years were unfortunately largely either at a low ebb or died down or were diminished. This caused great damage to our political contacts, to our economic interests, of both Russia and of Bulgaria, and to our people.

Well, it was no simple matter to draw up the draft of this agreement, there were some differences. This is quite natural. The presidents had to meet and sign the treaty when it had been agreed upon by all the departments and ministries, and by the governments. Today, after the signing of the treaty our relations are getting on a sound, legal, juridical basis. Previously this was a treaty between the former Soviet Union and Bulgaria. Naturally, relations at the present time are no longer those relations. Thank goodness. We are no longer bound by ideology. Communism and the totalitarian regime have collapsed. We have become absolutely independent states and therefore we are building our relations on a new basis.

Of course, this does not mean that all the positive potential that has been accumulated in the life of our peoples, moreover, throughout the 1,000-year history of our peoples, should be rejected. No and again no! Naturally, sensible things should be retained, those which are based not on ideology but on common sense. The treaty contains, first of all, the common sense of relations between the two peoples and states. We should review the hundred agreements which were signed between the former Union and Bulgaria. Some should be retained and re-signed between Russia and Bulgaria, some should be rejected, and still others should be clarified. This is clear.

We are very open now. Russia, which is building a civilized democratic state, is open in everything, and we do not have any secrets, especially from such close friends as the Bulgarian people. I for one appreciate personal contacts between presidents, state leaders, and this is already our fourth meeting with esteemed President Zhelev. Before, there were meetings in Moscow, in Istanbul, in Helsinki, and now this meeting in Sofia. I

believe that such personal diplomacy, personal contact between presidents provides a very big impulse to everybody, everybody—the governments and parliaments—a kind of impulse to developing the new relations which are taking shape between us.

The treaty is the beginning of a major process. Specific agreements between the governments, the ministries of defense and security will follow which have either been signed or are being prepared.

We agreed on the setting up of an intergovernmental standing commission, a Bulgarian-Russian commission that is to monitor compliance with the treaty that has been signed today and with agreements that have been signed or will be signed in the future. On our side the commission will be headed by Minister for Industry Titkin. He is a member of the delegation.

The question of our financial affairs is not without importance. There are problems with this, and at the talks today we did in effect reach a means of solving this problem, and solve it we will. Yes, there have been problems regarding supplies of oil to Bulgaria. This is difficult and complicated for us right now. Russia is going through a difficult period of economic reform and this year, 1992, is particularly hard. Nonetheless, the obligations we have, the obligations we agreed once more today—Deputy Chairman of the Government Chernomyrdin, a great expert in oil and gas, is a member of the delegation and confirmed that these obligations to Bulgaria will be met.

I would like to say that today, after laying a wreath at the Tomb of the Unknown Soldier, I met, well, just the people who were in the street. Not like it used to be with quotas—500 for the university, all with their flags. You take those 50 meters. And a factory took the next 50 meters. Everyone take a flag. Four hundred people: Take your place. Thank God that's behind us now. So, today, I am convinced that people were sincere in coming out to welcome a president of Russia who, as Mr. Zhelev said, was making his first visit to the countries of East Europe as president of Russia. People were in a fairly good mood, rather better, I would say, than they are in Russia. I don't mean that you have loads of optimism and no problems. Of course you have problems but they are, so to speak, your own problems and you will have to solve them within the country. The most important thing for Russia is not to get in the way, to cooperate, to act with mutual understanding on the international arena, reaching agreement between ourselves on the problems that arise.

When we discussed the problem of Macedonia today we came to the conclusion that Russia, say, should immediately confirm and declare the independence of Macedonia. As to what its name will be, however, this can be decided only by the country which becomes independent, and by its people. Let them determine the name for themselves. The most important thing for us is the political recognition of its independence.

In connection with this I appeal—and I think, Mr. President of Bulgaria will support me in appealing—together, to the European Community. Support this decision! Support the recognition of Macedonia! Much less blood will flow there after it is recognized by everyone as independent. Bulgaria senses this literally with every cell of its body and knows this question considerably better than any other country, including Russia. Therefore we are guided by Bulgaria, by the position of the Bulgarian leadership and we support it. Thank you.

Yeltsin, Zhelev Answer Questions

LD0408215192 Moscow Russian Television Network in Russian 1926 GMT 4 Aug 92

[Question-and-answer session at joint news conference given by President Boris Yeltsin and Bulgarian President Zhelyu Zhelev in Sofia on 4 August; Zhelev's answers and Bulgarian journalists' questions in Bulgarian with superimposed Russian translation—recorded]

[Text] [Smelkova] Vera Smelkova, the NACHALO paper. Decommunization is one of the signs that former socialist countries are becoming democratic. As far as we know, Russia has begun to do that. What is your attitude to this?

[Yeltsin] Well, thank you, you are correct when you say that Russia has begun to do that. It really did begin the process of decommunization. The Constitutional Court proceedings are currently under way, and I think that the Court's verdict concerning the former CPSU will be objective and just. How these processes are and will be taking place in Bulgaria is a matter for Bulgaria and we have not interfered in that.

[Unidentified Russian journalist] How, in your view, do the interests of other CIS countries tally with the new—now bilateral—treaty between Russia and Bulgaria? Will not other republics of the former Union lose out?

[Yeltsin] You know, when signing bilateral treaties with the CIS countries, each treaty—well, you know that the latest one to have been signed is the one with Turkmenistan—has a special article to the effect that it, I mean the treaty, is not under any circumstances to the detriment of a third country. That is the answer to your question. It is not to the detriment of anyone—not a single CIS country. Russia does not want unilateral advantages. Thank God, we have already cured ourselves—if not completely, then almost—of our imperial ambitions a long time ago. That is why this treaty shows that these bilateral relations are so mutually advantageous as not to compete with the treaties concluded with other states.

[Zhelev] Here I would like to add that the Republic of Bulgaria is preparing to conclude similar treaties with Ukraine, Byelarus, and Kazakhstan. This shows that, for our part, we have new relations with the former Soviet republics.

[Unidentified correspondent] The BULGARIAN TELEGRAPH AGENCY. A question for Mr. Yeltsin and for Mr. Zhelev. What do you think the greatest difficulty was in the preparation of a new Russo-Bulgarian treaty?

[Zhelev] The most difficult thing during the preparation of the bilateral treaty that we have just signed was that there were fears that the most difficult thing would be a settlement in the military sphere, but it turned out that this was not how matters stood. Our cooperation in the military field will be on a technical and technological level without taking on any special political commitments or military-political commitments between the two countries.

[Unidentified correspondent] Bulgarian Radio, the "Khorizont" program, has a question for the two presidents. It has been said that the economic agreement will be signed later. Is this because there are difficulties and a need to make some details more specific?

[Yeltsin] The agreement on scientific and technical cooperation has been prepared, and, I think, Aleksandr Alekseyevich, perhaps it will be signed today?

[Unseen person] Yes, yes.

[Yeltsin] Viktor Stepanovich?

[Second unseen person] Yes, yes, yes.

[Yeltsin] It will be signed today. So there are no difficulties other than technical ones—the typing.

[Zhelev] I can confirm the same, and I hope that it will be a matter of our drive, our speed, and the overcoming of the bureaucratic hindrances and obstacles that exist both in our country and in Russia for the rapid preparation of the additional agreements and treaties that are to follow the main treaty. I repeat once more that it is a question of effecting double taxation, the protection of investments, a new transport agreement, transport issues—considerable changes are taking place, and the transport agreement is out of date—as well as interaction in the spiritual domain.

[Kalchev] Ivan Kalchev from the newspaper NOV DEN. I have a brief question for both presidents. Two days ago Mr. Gorbachev made a very gloomy forecast about the future of Russia in the coming months. What do both presidents think about this forecast?

[Yeltsin] Over a period of six years Mr. Gorbachev had the opportunity to start a reform in the economy, but he did not do so. Let him be responsible for that. The rest is our affair—the affair of the president, the Supreme Soviet, and the government. We are convinced that reform will take place, that it is going according to schedule, and that people support it and that people will survive this difficult year, and 1993 will bring relief. I am convinced of that.

[Zhelev] I support that view, although with other arguments. I would like to say that the failure of the reform process in Russia on that difficult path on which it now finds itself would mean catastrophe not only for the Russian Federation, but also for Europe, and for the whole world. If only proceeding solely from this consideration, I think that the West will do everything possible to support the Russian leadership, and especially President Yeltsin in his efforts to achieve the success of the reform.

Yeltsin on Ossetia, Dniester

LD0408220192 Moscow ITAR-TASS in English 1736 GMT 4 Aug 92

[By ITAR-TASS special correspondent]

[Excerpts] Sofia August 4 TASS—Bulgarian President Zhelyu Zhelev has described a treaty on friendly relations and cooperation between Russia and Bulgaria signed by Russian President Boris Yeltsin and the head of the Bulgarian state in Sofia today as a "historical event".

Speaking at a joint press conference here, he said this document signifies the end of one epoch in relations between the two states and the beginning of another era. The historical importance of this document is that under the new treaty relations between Bulgaria and Russia will be formed as relations between the sovereign and independent states.

Zhelev noted the fact that "it is the first time that the Russian president has arrived in an East European country to sign a bilateral treaty." The Bulgarian leader said he perceived this as evidence of the great importance attached by both countries to the signing of such a document. It accords ample opportunities for cooperation in all areas: the economy, politics, culture, military-technical and other spheres. I am convinced that time will confirm the importance of the event that took place in Sofia today, Zhelev said. [passage omitted]

The Russian president said Russia has played its role in the termination of military confrontation and conflicts in southern Ossetia and the Dniester region. He said they signed an agreement in Dagomys, which is being strictly observed.

They have also signed an agreement with Moldovan President Mircea Snegur, and this document is beginning to operate as well. The Russia stands for the integrity of the state. [sentence as received] This is the general Russian geo-political approach. Let the Moldovan president decide himself on the status of the Dniester region, this is a Moldovan affair, not a Russian one.

The Russian leader noted he has personally addressed the United Nations and its Secretary General Butrus-Ghali so that the U.N. make its contribution, especially as far as Nagorno-Karabakh is concerned. None can be indifferent seeing bloodshed, no matter where it is going on. If a conflict appears, one should do one's best to prevent it, said Boris Yeltsin.

Dinner Speeches Reported

LD0408201192 Moscow ITAR-TASS World Service in Russian 1726 GMT 4 Aug 92

[by ITAR-TASS special correspondent]

[Text] Sofia, 4 August—Political bad weather has not affected relations between the peoples of Russia and Bulgaria. They are not subject to changes in the political weather. The preservation of the good traditions and the dynamic development of our relations on a new basis are an imperative of the times and of history, declared Russian President Boris Yeltsin, who was here on an official visit. He delivered a brief speech at a dinner given in his honor by Bulgarian President Zhelyu Zhelev.

Admittedly, it is impossible not to love Bulgaria, B. Yeltsin emphasized; especially for someone from Russia, a Russian person. It was from Bulgaria that ancient Rus borrowed the Slavonic script that was given to the world by the holy brothers Cyril and Methodius. The Day of Slav Literature and Culture was marked for the first time on a state scale on 24 May this year. Taking over a glorious tradition from you, the people of Russia will continue to celebrate the occasion every year.

On more than one occasion throughout their 1,000-year history, our peoples have come to one another's aid, sharing spiritual and material values. If they have shed their blood, then it was in the joint struggle for freedom and independence. It is not their fault that, having overthrown one tyranny, a fascist tyranny, they were not immediately able to find within themselves the strength to rid themselves of another, a communist tyranny, the Russian president declared. I firmly believe that Russo-Bulgarian relations have a happy future, and Russia and Bulgaria have bright prospects ahead of them.

The first official visit to Bulgaria by B. Yeltsin as president of the Russian Federation, Zh. Zhelev said, will have great significance for Bulgarian-Russian relations and will give them the necessary breadth and dynamism.

Our two peoples have common landmarks along the road of history, the head of the Bulgarian state pointed out. We are linked by the cause of Cyril and Methodius, constant spiritual communion and mutual influence between our peoples. Unfortunately, the communist era distorted and debased our relations by crude ideologization. All that is now passing away, and genuine values remain as an unshakable foundation for future Bulgarian-Russian ties. We have just signed a new treaty on friendly relations and cooperation, which should complete the breakthrough in the history of the ties between Bulgaria and the Russian Federation. This treaty will give bilateral cooperation new dimensions, free from the many years of domination by totalitarian regimes. It will remain in the history of Bulgarian-Russian relations as a document of the democratic transition, an all-embracing legal and political foundation on which we will be able to develop bilateral cooperation in a new way.

Yeltsin on Signed Treaties

LD0408180892 Moscow Teleradiokompaniya Ostankino Television First Program Network in Russian 1400 GMT 4 Aug 92

[Report from Sofia by correspondent S. Medvedev, including recorded segments of Yeltsin remarks to journalist and at news conference; from the "Novosti" newscast]

[Excerpts] [Announcer] Important events in Russo-Bulgarian relations took place in Sofia today. As IZVESTIYA accurately notes, Soviet-Bulgarian friendship is being replaced by Russo-Bulgarian cooperation.

[Medvedev] The Russian president's day in Sofia began with a wreath-laying at the Tomb of the Unknown Soldier downtown in the Bulgarian capital. [passage omitted]

Talks began an hour later at the Boyana residence, right beneath the picturesque Vitoshi Hills. They culminated in the signing of a new Russo-Bulgarian treaty on friendly relations and cooperation. The 10-year treaty is completely devoid of ideological dogma. This document has rescued the two countries from the rather curious situation of not having a treaty to regulate relations between them. This has been the case for the last three years, and has led to a curtailment of trade between the two countries and to a fairly marked fall in production, which was geared for decades to two-way cooperation. [video shows official building, flags, Yeltsin and officials seated at round table; Yeltsin and Zhelev signing documents]

The new political guidelines adopted by Russia and Bulgaria have also been reflected in this treaty.

[Begin recording] [Yeltsin] The treaty brings, above all, common sense in relations.

[Unidentified correspondent, addressing Yeltsin] Won't other republics of the former Union suffer as a result of the new bilateral treaty between Russia and Bulgaria?

[Yeltsin] This is not detrimental to anybody. It does not harm a single CIS country. Russia does not want one-sided advantages. We rid ourselves of our imperial ambitions long ago, thank God—well, if not completely, then almost completely. So, this treaty demonstrates that our bilateral relations are characterized solely by mutual advantage, that they do not challenge treaties with other states. [end recording] [passage omitted]

Promises More Agreements

LD0408121992 Moscow Russian Television Network in Russian 1000 GMT 4 Aug 92

[From the "Vesti" newscast]

[Text] This is the second and concluding day of Russian President Boris Yeltsin's official visit to Bulgaria. The main event was the signing of the treaty on friendly relations and cooperation between the two states. [video

shows Yeltsin and Zhelev; Yeltsin laying wreath and then Yeltsin on a walkabout]

[Correspondent Chukseyev] At the talks held by the Russian and Bulgarian presidents in Sofia today, Boris Yeltsin said that Russian-Bulgarian relations have been stripped of the ideological foulness inherited from the international communist nomenklatura. Now it is important to restore links in production and coproduction, the weakening of which has been damaging for both countries. The Russian president has also recognized that during the times of communist dictatorship relations between the two countries were developing in an ugly way. A new treaty on friendship and cooperation will have a healthy effect on Russian-Bulgarian relations.

This morning Boris Yeltsin laid a wreath on the Tomb of the Unknown Soldier. Then he had a chat with Sofia residents:

[Begin video recording] [Yeltsin] How do the Bulgarians live?

[Unidentified speaker in crowd] Well!

[Second voice from crowd] Very well!

[Yeltsin] We have embarked together on the path of civilization. I am certain, however difficult it may be to carry out reform, that we will definitely carry it out. The treaty has formed a foundation. It will be followed by agreements on quite specific issues relating to the economy, potential cooperation, and military cooperation. The treaty is just a foundation, a basis. But it had to be signed. It had to be signed. [laughter from the crowd] [end recording]

ITAR-TASS on Treaties

LD0408202592 Moscow ITAR-TASS World Service in Russian 1805 GMT 4 Aug 92

[By ITAR-TASS special correspondent]

[Excerpt] Sofia, 4 August—Russia and Bulgaria will cooperate and expand friendly ties. Such is the main result of the official visit to Sofia, which ended today, of Russian Federation President Boris Yeltsin. The visit lasted less than 24 hours, but it has become an important stage in the development of bilateral Russian-Bulgarian relations, which are now going through a stage of renewal after the breakup of the USSR and the collapse of the totalitarian regime in Bulgaria. The Russian president and the head of the Bulgarian state Zhelyu Zhelev signed a treaty on friendly relations and cooperation between the Russian Federation and the Republic of Bulgaria. Another three documents were signed at ministerial level: agreements on forming an intergovernmental Russian-Bulgarian commission on trade and economic and scientific and technical cooperation, and also on cooperation between the two countries' ministries of industry and defense.

The text of the treaty, planned to run for 10 years, notes that Russia and Bulgaria will develop their relations in a spirit of friendship, trust, and mutual respect. It has been decided to create favorable conditions for entrepreneurial and other economic activity and to step up activity in cultural exchange in all spheres and at all levels. The document makes particular mention of the need to protect human rights: Russians in Bulgaria and Bulgarians in Russia. [passage omitted]

Yeltsin Meets Citizens, Praises Zhulev

LD0408150292 Moscow ITAR-TASS World Service in Russian 1401 GMT 4 Aug 92

[Excerpt] [passage omitted] Cordially greeting those who were gathered at the Square of the Tomb of the Unknown Soldier in Sofia, B.Yeltsin told them about the talks that have started with President Zhelyu Zhelev of Bulgaria. Yesterday evening, he said, we had a long talk together. I liked him very much as a man. He is kind and intelligent and has a good knowledge of the history of Bulgaria and of Bulgarian-Russian relations.

An empire has fallen, the Russian head of state continued. A regime—the communist regime—which existed both in the former USSR and in Bulgaria has crumbled. Our reforms are not progressing easily at present, and Bulgaria too has its complications and problems. But I am convinced that we shall achieve reform without fail.

Notes 'Bright Future' for Ties

LD0408162492 Moscow ITAR-TASS in English 1517 GMT 4 Aug 92

[By ITAR-TASS special correspondent]

[Text] Sofia August 4 TASS—"Russia and Bulgaria have a millenium long history of relations," President Boris Yeltsin said, replying to a question by ITAR-TASS correspondent during his conversation with Bulgarians in the centre of Sofia today. "The history of our relations," he said, "can hardly be compared with the history of relations between any other two countries. We have always been friends and we have a common religion.

"Let's glance back at our history. We have always found common language. A sort of vacuum appeared in our relations after 1991, when the Soviet Union ceased to exist, when it broke up. Hence, we have inccured definite losses. But we are to blame for them, of course, not the Bulgarians. We were slow in establishing contacts. The interstate treaty that we are to sign with President Zhelev today will create a legal foundation for cooperation in every domain: political, economic and cultural. In all spheres, I believe our relations have a bright future."

Yeltsin Concludes Visit

LD0408165392 Moscow ITAR-TASS in English 1630 GMT 4 Aug 92

[by ITAR-TASS special correspondent]

[Text] Sofia August 4 TASS—Boris Yeltsin, president of the Russian Federation, who was on an official visit here, has left Sofia today.

At Sofia's airport he was seen off by Zhelyu Zhelev, head of the Bulgarian state, Filip Dimitrov, chairman of the Council of Ministers of Bulgaria, Stoyan Ganev, foreign minister, and other officials. Aleksandr Avdeyev, Russian ambassador to Bulgaria was among the seeing-off party.

Yeltsin Hopes No Need To Send Warships to Gulf

OW0408125192 Moscow INTERFAX in English 1222 GMT 4 Aug 92

[From the "Diplomatic Panorama" feature; transmitted via KYODO]

[Text] Contrary to recent allegations there are no Russian warships in the Persian Gulf, the Russian President Boris Yeltsin told newsmen in Crimea upon conclusion of his meeting with the Ukrainian President. [sentence as received]

In answer to a question from DP's [Diplomatic Panorama's] correspondent he said that "in compliance with the U.N. Security Council's resolution on Iraq Russia has consented in principle to despatch its ships to the region in case of need", but, as the President stressed, only for the sake of military presence, not for participation in military actions.

Such presence, B. Yeltsin said, will be confined to one or two ships.

Iraq has observed the U.N. resolution, and in this connection B. Yeltsin expressed hope that there will be no need to materialize "the consent given in principle" in practical terms.

Warship Story 'Complete Surprise'

OW0408130192 Moscow INTERFAX in English 1222 GMT 4 Aug 92

[From the "Diplomatic Panorama" feature; transmitted via KYODO]

[Text] The report on Russia's intention to despatch warships to the coasts of Yugoslavia and Romania was a complete surprise for the Foreign Ministry, said Sergey Yastrzhembskiy, director of the ministry's department of information and the press.

"No one raised this question before the ministry or consulted it in this connection", he told DP's [Diplomatic Panorma's] correspondent.

DP's correspondent also interviewed at the Foreign Ministry an expert who specializes in relations with Yugoslavia. The expert said he is confident that "the decision to despatch Russian warships to the coasts of Yugoslavia and Romania will not be carried out, even if it has been taken".

Otherwise, the expert said, considerable damage will be done to Russia's national interests. "Russia would only lose its prestige in the Balkans, and win nothing", he said.

Russian military officials interviewed by DP's correspondent share his view. "This initiative doesn't stem from the Russian Defence Ministry. We would not give such recommendations", a highranking member of Russia's Defence Ministry told DP's correspondent.

According to him, a majority of Russian servicemen, including the country's military leadership, believe that "Russia must not join blockade against another Slav nation, Yugoslavia".

The official is inclined to believe that recommendations the military will prepare as to the possibility of sending warships to the coasts of Romania and Yugoslavia will state that "such an action is inexpedient".

Nevertheless, the military expert said, "a scenario for the despatch of Russian warships to the coasts of Yugoslavia and Romania does exist, even though it is not likely to be effectuated".

There were plans to send to the area of the conflict a ship from the Black Sea Fleet under St. Andrew's flag. However all ships in that fleet still fly the flag used by the formerly Soviet Navy.

"A ship could leave under the formerly Soviet flag, of course, replace it with St. Andrew's flag later, and hoist the Soviet Navy's flag upon return. But this would be amoral and have a corrupting influence on the crew".

Such an action, the military expert explained, could pursue only one goal: show the Russian flag in direct proximity to the hotbed of conflict in the Balkans. The despatch of a warship to the coast of Romania would be explained by the fact that that country remains the only channel through which food, arms and military equipment continue to reach Yugoslavia.

'Experts' To Join Inspection Group in Iraq

PM0408154392 Moscow IZVESTIYA in Russian 5 Aug 92 Morning Edition p 5

[IZVESTIYA Press Service report: "Russian Experts To Look for S. Husayn's Nuclear Weapons"]

[Text] Following the international experts' failure to discover at the Ministry of Agriculture in Baghdad any documents and materials referring to the production of weapons of mass destruction, the United Nations will send a fresh group of inspectors to Iraq. It should arrive in Baghdad by the end of the week.

It is so far unknown whether the Iraqi authorities intend to present this group of inspectors with the same obstacles as the previous group. However, it is interesting that experts from Russia are included in the new group's composition.

Yeltsin Advised Not To Confirm Kurils Decision

OW0408162092 Moscow INTERFAX in English 1559 GMT 4 Aug 92

["Rumyantsev Advises to Russian President Not To Confirm 1956 Declaration on Kuril Islands"—INTERFAX headline; transmitted via KYODO]

[Text] Tuesday [4 August] the responsible secretary of the constitutional commission of the Russian Supreme Soviet Oleg Rumyantsev and members of this commission departed for the Kurils. In his conversation with "IF" [INTERFAX] Rumyantsev declared that he had advised President Yeltsin not to reconfirm the 1956 declaration on the Kuril Islands as "it is the most human agreement ever existed". [sentence as received]

Making an assessment of the hearings on the Kuril Islands in the Russian Supreme Soviet, Rumyantsev once again declared about their obvious success saying that a contradicting assessment of the hearings by the press and political leaders reflects the political situation in Russia. According to Rumyantsev, the hearings have displayed a common sector of dissatisfaction with the policy of the Russian Foreign Ministry and laid a groundwork to a wide and open discussion of the Kuril problem. Rumyantsev pointed out that notwithstanding numerous bans on the part of Khasbulatov these hearings were the best of all hearings he had participated. The main outcome of these hearings is the formation of a working group consisting of 6 people to conduct consultations with President Yeltsin on the eve of his visit to Japan.

Rumyantsev also declared that he intends to exert influence on the Russian Minister of Fish Economy and to demand granting of transport ships to the Kuril fishermen, establishing limits to fishery, that is rendering concrete assistance from the government. Besides an issue on fuel for frontier forces necessitates urgent settlement to prevent poaching of the Japanese ships, Rumyantsev underlined.

To decide all these problems members of the parliament and the Russian government must pay several visits to the Kuril islands. The visit of the members of the Constitutional Commission will be the first. The Russian Defense Minister Grachev is scheduled to arrive there in two days and later on the Minister of Fish Economy will go to the Kuril islands. A delegation of the Supreme Soviet is expected to visit the Kurils late August and then the Russian President will begin consultations with the deputies, Rumyantsev added.

Poltoranin Discusses Kurils With Japan's Watanabe

LD0408155592 Moscow ITAR-TASS World Service in Russian 1415 GMT 4 Aug 92

[By ITAR-TASS correspondents Vasiliy Golovnin and Vladimir Sel'tsev]

[Text] Tokyo, 4 August—The Government of Japan is not demanding the immediate handover of the southern Kurils, but no great progress will be made in bilateral relations if the Russian side does not come out with a fundamental accord on the return of the islands. This was stated by Michio Watanabe, deputy prime minister and minister of foreign affairs of Japan, during the meeting that took place here today with Mikhail Poltoranin, deputy chairman of the government of the Russian Federation and minister of the press and information. The Japanese minister confirmed the efforts to conclude a peace treaty as soon as possible, thus putting an end to the past, and to build new relations between the two countries on its basis.

In the words of Mikhail Poltoranin, one of the aims of his visit is to search for points of contact in the development of bilateral ties, proceeding from the fact that Russia is the successor regarding the joint Soviet-Japanese declaration of 1956. This document envisaged the agreement of the USSR on handing the islands of Habomai and Shikotan over to Tokyo after the conclusion of a peace treaty.

It is the aim of the Russian leadership, Poltoranin noted, to get rid of the impediments on the path of the development of bilateral relations, proceeding from logic and common sense. He stressed that, in approaching the territorial problem, one should not put weapons into the hands of those opposed to a settlement of it and thereby create danger for the democratic development of Russia. President Boris Yeltsin will put forward specific ideas on solving the territorial question during his forthcoming visit to Japan in mid-September, Poltoranin said.

Watanabe expressed Tokyo's intention to render assistance to "the new-born Russia."

Grants Interview on Kurils

PM0508110992 Moscow IZVESTIYA in Russian 5 Aug 92 Morning Edition p 6

[Interview with Vice Premier Mikhail Poltoranin by Vladislav Dunayev in Tokyo; date not given: "The Southern Kurils Problem Is To Be Examined at the G-7 Meeting in Tokyo"]

[Text] [Dunayev] Mikhail Nikiforovich, your visit to Japan was preceded by an unprecedented event in the history of our diplomacy—parliamentary hearings on the problem of the northern territories. How do you assess the fact that the hearings took place, as well as their results from the viewpoint of the preparations for

President B. Yeltsin's visit to Japan and from the viewpoint of the elaboration of Russia's position at the imminent talks?

[Poltoranin] In principle, I do not see anything special in this, because that is parliament's job; it is its duty to conduct hearings on various problems. In this case the issue of the Kurils was examined. It is another matter that a populist complexion was put on this issue. The discussion was scheduled at a time when serious preparations for the Russian president's visit to Japan had already begun, and this can be seen as pressure on B. Yeltsin's position on the part of certain circles in parliament. I would say that jingoists, national-patriots, people who consider it important to be the "patrons of the people" in the eyes of public opinion, exploited O. Rumyantsev's proposal. To such people it makes absolutely no difference whether the issue is the Crimea, Ossetia, Dubossary, as long as their names are highlighted against the background of the problem. It was no accident that the parliamentary hearings led nowhere, as the issue is extremely complex and cannot be resolved by force. So the parliamentary hearings can be seen as another signal that there is a difficult problem that must be resolved with due seriousness, in a well-considered and—most importantly—peaceful way.

[Dunayev] Nevertheless, shouldn't we see this parliamentary hearing as a precedent of normal practice, similar to the activity of the U.S. Congress, where the most complex problems are the subject of discussion by legislators?

[Poltoranin] Not in the least. All this happened perfectly naturally, spontaneously, in exactly the same way as all collisions occur within the walls of our parliament. And with the same degree of "effectiveness." For example, take the hearings on the mass media. This question was literally pummeled from every direction, leaders were called into parliament every now and then, and people were slighted. In the end the Supreme Soviet adopted a resolution on the mass media, and so what? As the popular saying goes, this is neither here nor there.

And there is roughly the same picture with the questions concerning the Kurils. Instead of worrying about creating a legal base, our parliamentarians are clutching at all the problems at once, and as a result virtually none are resolved. And this time too the parliamentary hearings have borne no fruit either for our diplomacy or for Russia as a whole. The president and his team are trying to resolve questions seriously and in a considered way, but people like Baburin do not miss a single opportunity to exacerbate the situation.

[Dunayev] The morning editions of all the Japanese newspapers on the day of your arrival in Japan contained a report on an interview with Sakhalin Governor V. Fedorov with the KYODO news agency, in which he stated that the Russian president's September visit would be inopportune "in connection with the weakness of Russia's economic positions" and that, in the event of a visit being made at the intended time, the governor is prepared to go personally to the Kurils and organize a protest movement. How do you view such demarches on the part of the local leadership? Do you believe that this is a question of a normal phenomenon of civic movements' activity in a democratic society, or is it another precedent in the exploitation of any complex problem by certain forces in order to strengthen their own power to the detriment of the position of the leaders of the overall process of democratization in the country?

[Poltoranin] I quite agree with Fedorov in that we must resolve this problem with due regard for our economic interests, not to Russia's detriment—which is how we solved problems in Germany and the Baltic region and how we resolved other problems when we signed ill-considered agreements without taking our long-term prospects into account. After all, it must be admitted that after a short time our people started being evicted from various territories. There was no proper legal base prepared, and so it happened that many thousands of people today have to take shelter in huts or abandoned barracks, and indeed we are being sent bills for billions-worth of damage caused to the environment. So in this respect Fedorov is right, things must be resolved **thoroughly** so that neither Russia nor a single individual suffers.

On the other hand, I disagree with Fedorov when he stresses that Russia is weak in the economic sense and in general. We are not weak. It is just that we are still not doing what we should be doing, so not everything works out the way we need it and the way we want it. We have still not raised Russia to the height that is our duty. This is undoubtedly weakening our positions, but it does not mean that we must determine the direction of the movement on the basis of our own shortcomings.

As far as Fedorov's statement about going to the Kurils and mobilizing public opinion is concerned, then our misfortune is that many officials prefer to stir people up and provoke them to oppose the president's policy—the easiest thing to do, particularly in Russia—instead of raising Russia and leading it out of the impasse. That is not the right attitude, and I believe that Fedorov simply does not have the right to make such statements. How can this be within the framework of normal democratic processes!

But Fedorov's economic policy really does serve Russia's cause. The Sakhalin governor has a great deal of authority and he uses it skillfully. Of course Fedorov has a deeper understanding of the Kuril problem than anyone else, but certain demarches only serve to harm him. His stance here unfortunately coincides in the most negative sense with the stance of the initiators of the parliamentary hearings. Although I must admit that Fedorov has a greater sense of reality when he broaches the economic aspect in determining our approach to the Kuril problem.

[Dunayev] What are the specific tasks of involved in your visit to Japan, what do you expect at best, and what is the least you would be satisfied with?

[Poltoranin] The tasks lie within the framework of preparing the Russian president's visit to Japan. A number of official visits have already been made in this sphere, and my trip is another one in this series. We agreed that there should be more meetings with journalists and the public during this trip. My task is not so much to become involved in the problem of the islands as to clarify Russia's position in all the spheres of our reform. This means economic and political reform and solutions to social tasks, it means the spheres in which we can and must cooperate and collaborate with Japan. We must seek mutual understanding in order to work jointly and develop production, we must try and obtain investments, and so on. That is the main task.

Furthermore, I must find out how Japan relates to solving problems together with Russia. After all, the line pursued has been one whereby politics and economics have not been separated. Today this phase is over, not because the Japanese decided it must be so, but because we in our turn are taking steps to accommodate them. Therefore, during the talks with government representatives and business circles, my task is to establish for myself how they see the resolution of these problems. After all, Japan understands full well that Russia cannot simply hand over the territories. Russia did not do this even in stable years, and I think that Japan understands that if our leadership takes such a step today, it will be faced with making difficult explanations to the people.

We must hold serious consultations and study proposals. The president is studying this problem carefully and intends to resolve it only on one basis—on the basis of the ratified agreements of 1956.

We must consider everything accurately. For example, we have our defense interests in this region. If we give back some of the islands to Japan (naturally, having determined a transitional period of some kind and withdrawn forces in advance, and so on) then a vacuum will be created. It must not be filled by the United States again. So the United States should also be involved in resolving this problem from the point of view of international participation and the provision of guarantees. Thus, this is no longer a bilateral problem, but a question of internationalization. If the Kuril question was internationalized, so to speak, during the G-7 meeting in Munich, then it was ordained by God that we should internationalize it.

[Dunayev] Are we to believe that this will mean prospects of a new approach to the formation of an agenda for the G-7 meeting scheduled for next year in Tokyo?

[Poltoranin] Yes, of course.

[Dunayev] To continue: We are losing waters with the richest fish reserves. What are we getting in return?

[Poltoranin] The main thing is that this problem must be resolved calmly, without any imperial behavior on our part, that is, people saying things like: We have never given anything away and do not intend to do so now. We must put an end to that.

The president is running up against people who are opposed to this problem's being resolved, including some deputies, but he has many supporters. It is important that the president should be able to travel down this very rough and dangerous section of the path in peace. This does not mean that the president will come here and "make a gift" of the islands. He will bring his proposals, which will then have to be studied.

As for the matter of the best and the least, I do not want to talk about the least, as I believe that you always have to aim for the best in any task. If you aim for the least, you will achieve nothing. I am looking at my visit in broader terms than just clarifying the problem of the territories. The task is to find mutual understanding. It is important that Japan should understand our stance better and that it should understand what kind of processes are going on in Russia. Because of the demarches of our opponents, many Japanese, on their return, say that things are black here. Therefore, my task is to make sure that people here understand that we are trying to resolve problems on a democratic basis, which is why there is such an abundance of differences of opinion. Essentially the situation in the country is controllable, reforms are proceeding, albeit slowly. The main reason is that we are continuing to remain militarized to an enormous degree. After all, the whole economy was turned upside down and militarized through and through. And indeed, not just the economy but also public awareness and life itself. It takes a tough fight to overcome and get over this legacy.

I am convinced that Japan understands that Russia is still a great power, but today this power is not a monster, and our country is aiming to join the international community, following the principles of the observance of international laws. Never again will we send tanks into our neighbors' countries if we do not like our neighboring governments, nor will we put people who freely express their views into psychiatric hospitals or prisons. Our country is thus undergoing a transformation, it is essentially being **born again.** We do not use the word **power** from a position of great might, but only because we understand Russia's responsibility for what is happening in the world today. Russia is returning to civilized society, and that is why we say that all questions, including territorial ones, should be resolved on the basis of the principles of justice and legality.

That is the mood determining the preparation of Russian President B. Yeltsin's visit to Japan. It is the president who is at the source of the nation's rebirth, and he is firmly convinced that Russia is capable of proving the purity of its intentions and the legitimacy of its actions in the sphere of international politics. Let us hope that the visit to Japan by the first president of democratic Russia

elected by all the people will be successful, bring satisfaction to both sides, and serve the interests of the friendship of our peoples and the reinforcement of positive trends in the life of our world community.

Criticism of 'Tendentious' Japanese Statements

LD0408173692 Moscow ITAR-TASS in English 1637 GMT 4 Aug 92

[By ITAR-TASS diplomatic correspondent Igor Shubin]

[Text] Moscow August 4 TASS—Russian Deputy Foreign Minister Georgiy Kunadze has expressed hope that restraint, tact and also a respectful attitude to the partner will from now on be observed in statements by Japanese politicians on issues of relations with Russia. It was announced at a Russian Foreign Ministry briefing today that Kunadze met Japan's ambassador to Moscow Sumio Edamura on Monday [3 August].

The ambassador's attention was drawn to recent statements by some Japanese politicians that present in the distorted light the Russian side's approach to talks on a peace treaty with Japan and Russia's foreign policy as a whole. Thus attempts are made to accuse Russia ungroundlessly of "insincerity".

Tendentious and tactless statements on the nature of Russian-Japanese relations have become regular recently, Russian Foreign Ministry spokesman Sergey Yastrzhembskiy noted. In addition, top-ranking Japanese Government officials, including Japanese Minister for Local Self-Government Affairs Masajuro Shiokawa are joining this campaign.

The appearance of such statements exactly now that Russia and Japan are conducting a painstaking and complex quest for solutions on the entire range of issues that are meant to make up the content of the peace treaty threatens to complicate the atmosphere of talks and hinder their progress. This would not be in the interests of Russian-Japanese relations, Yastrzhembskiy emphasised.

Democratic Party Issues Statement on Kurils

OW0408195692 Moscow INTERFAX in English 1826 GMT 4 Aug 92

[Transmitted via KYODO]

[Text] The Democratic Party of Russia [DPR] proposes to build relations with Japan and international relations as a whole according to the actually established borders, the statement of the DPR leader Nikolay Travkin distributed on Tuesday [4 August] in Moscow says. The DPR refutes the official position of Tokyo which in an ultimatum forms declares further development of bilateral relations and signing of a peaceful agreement stating the transfer of a part of the Russian territory to Japan. "Russia is not a country to speak with by means of ultimatums", the document underlines.

The DPR criticized "the vicious policy of the Russian Foreign Ministry" which tries to solve the problems of Russian-Japanese relations secretly without the public opinion.

The statement says that the DPR recognizes the presence of acute unsolved problems in the Russian-Japanese relations and the necessity of a peaceful treaty with Japan but they can be solved in the course of time and in the result of mutual compromises.

The DPR statement points out that any changes of the Russian borders can be undertaken only according to the decision of the all-nation referendum confirmed by the Russian People's Deputies congress.

Japanese Politician on Solving Territorial Issue

LD0408223592 Moscow Mayak Radio Network in Russian 1730 GMT 4 Aug 92

[Text] Japan expects that Russian President Boris Yeltsin's forthcoming visit to Tokyo in September will finally open a way to concluding a bilateral peace treaty and returning the northern territories, something that is the key condition for a friendly rapprochement between both countries. This was stated by Tamisuki Watanuki, general secretary of Japan's ruling Liberal Democratic Party, in the course of a meeting in Tokyo with Mikhail Poltoranin, deputy chairman of the Russian government and minister of press and information.

Kamchatka Soviet Chairman on Returning Kurils

OW0508010892 Vladivostok Radiostantsiya Tikhiy Okean Maritime Service in Russian 0715 GMT 29 Jul 92

[Interview with Petr Primyak, chairman of Kamchatka Oblast Soviet, by unidentified correspondent in Kamchatka; date not given; from the "Pacific Ocean" program]

[Text] It seems that tensions around the question of the Kuril Islands are growing again. This topic frequently appears in newspapers, on television, and on radio, and the widely varying tone is sometimes extremely aggressive.

Yesterday, the Russian Supreme Soviet discussed the question of the southern Kuril Islands at a closed parliamentary hearing. We will report on the results of the hearing a little later, but now Petr Primyak, chairman of the Kamchatka Oblast Soviet, will discuss this subject. Our correspondent met him immediately after Russian Foreign Minister Kozyrev concluded his visit to Kamchatka.

[Begin recording] [Primyak] Regarding the problem of the southern Kuril Islands, the eighth session of the Kamchatka (?Soviet) adopted a decision not to give away the Kurils and to support Sakhalin's position. We Far East residents are consistent in this question. [Words indistinct] eastern association also sent a suggestion to the Russian Government.

When Andrey Vladimirovich was approached by the cossacks bearing their petition, he said: We will not sell the Kurils, and I have no desire to trade in Russian territories. Thus, the fate of the Kurils is in the hands of the Russian president, but I think that he understands all our interests and will take them into account.

[Correspondent] Let me ask you a question in your role as a deputy of the oblast soviet who is about to be sent to the eighth session. I suspected that the decision of the eighth session will not be the last word on this question here on Kamchatka; the appeal by the Sakhalin Oblast Soviet of People's Deputies to their Kamchatka colleagues to support their address to the government to maintain the view formed at the eighth session is an additional indication. However, the division of voices at the Lesser [Malyy] Soviet was such that some members of the Lesser Soviet at Kamchatka adopted a different position. Maybe they will continue to defend their previous position, which is to gradually return these islands to Japan. Let us return to the subject of the Lesser Soviet. Naturally, the Lesser Soviet did not adopt this decision through nominal voting. I think we should not make a secret out of it, so let me ask you directly: How did the voices divide, and who voted against the adoption of this decision?

[Primyak] The Lesser Soviet session was an open one, and the press was present. True, we have posed the question—raised by Chairman Yershov of the legal commission—on the appeal of the Sakhalin Soviet to support their position. The votes were divided 50-50; 50 percent voted for keeping the Kurils, thus supporting the Sakhalin Soviet's position, and 50 percent supported the alternate proposal of Chairman Veikhman of our commission, which calls for a five-stage solution to the Kuril Islands problem. It did not directly mention the return of the Kurils, but it referred to President's Yeltsin's suggestion on a gradual solution to the Kuril Islands problem. I have rejected a third proposal, which was totally vague. I think that we must demonstrate a definite attitude and say yes or no. This is the reason the vote divided 50-50.

I was pleased that Andrey Vladimirovich himself signed a petition from the cossacks. He said: "I agree with you; we will not give the Kurils back." So, I think that there will be a positive solution to this problem.

[Correspondent] We probably should not emphasize the character of Andrey Vladimirovich Kozyrev, since he represents the position of some serious people within the Russian Government. This is how I tend to interpret his resolute position.

[Primyak] As a man who forms foreign policy and puts it into practice, his position is undoubtedly an objective one, and he communicated to us that this was the opinion of both the president and the government. Therefore, I think that what we have here is an objective approach to analyzing the Kuril problem. However, I must tell Far East residents that we must not proceed from some political or subjective interests. Everyone has some kind of education; some know more about the history of the Kurils, and some know less. However, we must understand that there is such a thing as Russian national interests. We catch 2.5 million tonnes of fish around this tiny spot, and this is very important for Dalryba and all the fishing fleets. Second, a Russian population lives there. We must not forget that it was not by coincidence that the cossacks have decided to express their support for them. It is not easy to drive the people away from there. No matter what favorable conditions Japan offers them, we can not relocate people to other territories just because a foreign country wishes it.

[Primyak] I think the president will perform well during his visit to Japan. If we give the Kurils away now, a [words indistinct] movement will immediately appear. All the neighboring states will start making claims: Finland, Turkey, Poland, Romania, Germany, China, etc. Therefore, we must not reexamine our borders, and the [words indistinct] conference of 1975, although a European one, has given [words indistinct] to the stability of borders. When the CIS was being formed, the first agreement signed by all representatives of the former Soviet republics mentions the inviolability of borders. [end recording]

Yeltsin Permits Collaboration With East Europe

OW3107185492 Moscow INTERFAX in English 1824 GMT 31 Jul 92

[Transmitted via KYODO]

[Text] Russian President Boris Yeltsin accepted a Ministry of Defence proposal to hold negotiations on military collaboration with the Bulgarian, Hungarian, Polish, Romanian and Czech Ministries of Defence. The authority for the above, signed by the president on July 30th, also sanctions the conclusion of Russian Ministry of Defence agreements with Eastern European colleagues irrespective of the deadlines for the conclusion of international treaties with these countries.

Czechoslovakia Split Not To Affect Relations

OW0408215992 Moscow INTERFAX in English 1826 GMT 4 Aug 92

[Transmitted via KYODO]

[Text] The Czechoslovak Ambassador to Russia, Rudolf Slansky, said that the federation's dividing into two independent states, Czechia [as received] and Slovakia, would not affect their relations with Russia. At a press conference in Moscow today the Ambassador pointed out the issue of Russia's debts to his country which, in his words, totalled roughly $2 bn. [billion] at the beginning of this year.

Rudolf Slansky believes that the two countries should reach an agreement for the payment of former Soviet Union debts for Czechoslovak goods delivered in 1991 and settle all issues regarding the debts.

East Europe Reactor Improvements Viewed

PM0408112392 Moscow ROSSIYSKAYA GAZETA in Russian 1 Aug 92 First Edition p 1

[Yelizaveta Leontyeva report on interview with Atomic Energy Minister Viktor Mikhaylov under the "Question to the Minister" rubric; place and date not given: "We Should Stick This Out Together"]

[Text] Hermann Kreiner, German representative of the international organization of nuclear power station operators, stated that dozens of reactor units in power stations in East Europe should be taken off line immediately.

It also follows from what he said that the Western members of the organization are stepping up aid to their Eastern neighbors in the matter of improving reactor safety.

Hermann Kreiner's announcement directly concerns Russia, since many nuclear power stations in East European countries were designed and built with the assistance of Soviet specialists.

Viktor Mikhaylov, Russian Federation atomic energy minister:

The issue of reactor safety is undoubtedly a joint matter. I should say that during the period of perestroyka in East Europe our ties were broken. I respect the course taken by these countries toward autonomous development, but their keenness for political freedoms should not block the sensible desire to undertake joint work to improve reactor safety. I would go even further—the desire to find a joint outlet to the Western market in this field.

As far as the modernization of the stations is concerned, it is possible that some people will try to do without our specialists who know these reactors well. But I nevertheless hope that no reliable firm will embark on modernization without the people who designed and built the stations. Hoping that this is the case, we intend to start exchanging information and experts literally tomorrow, having approved this work at state level.

Official Sees 'Mistake' in Following IMF Plan

OW0308170092 Moscow INTERFAX in English 1556 GMT 3 Aug 92

[Transmitted via KYODO]

[Text] Deputy Chairman of the Russian Supreme Soviet Yuriy Voronin advised that restraint be exercised in following the recommendations of the International Monetary Fund and warned about the complications of a quick conversion to a convertible ruble. In an exclusive interview with INTERFAX Monday [3 August], Voronin indicated that this was a point of dispute among many participants in the conference on the banking structure held August 2 in Moscow. Participants in the conference included Parliament Chairman Ruslan Khasbulatov, Vice Premier Georgiy Khizha, Finance Minister Vasiliy Barchuk, acting Chairman of the Central Bank Viktor Geraschenko, as well as leaders of Vneshekonombank USSR and Russian commercial banks.

According to Voronin, conference participants came to the conclusion that "Russia's economic policy cannot be blindly and thoughtlessly directed only towards the IMF's recommendations." Voronin believes that Russia "is making a huge mistake" in following the IMF's strict plan. He said the republic should "find its own way of entering the market, using experience of individual countries and economic schools as guidance." As an example, Voronin cited the approaches of the United States' Hoover Institute.

Voronin said that the point was made at the conference that it was "necessary to once again subject the many romantic schemes for quickly converting the ruble to professional analysis". He urged that before discussing the ruble's convertibility, "at least a minimal" amount of stability in the industrial manufacturing sector should be attained.

The Central Bank of Russia should "more independently and boldly decide" financial matters without "looking to the government, which was characteristic of the planned economy", declared Voronin.

He stressed that Geraschenko, the new leader of the Central Bank, is not excluding the possibility of forming a joint bank of Commonwealth countries. Voronin added that "specifically the Central Bank and the entire Russian banking system should adopt a policy aimed not on the destruction, but on the restoration of economic ties which operated in the former Soviet Union." "The necessity of putting an end to the war between the Central Bank and commercial banks" was also emphasized at the conference. Along with this, it was proposed that representatives of the banking structure develop new legislative acts or introduce drafts of amendments to existing legislation.

Voronin indicated that 10,000 bills can be expected to be introduced into circulation at the end of August or the beginning of September. He added that a necessary amount of coins will be released simutaneously.

IMF 'Concerned' About Credit Line

LD0308141392 Moscow Teleradiokompaniya Ostankino Television First Program Network in Russian 1100 GMT 3 Aug 92

[From the "Novosti" newscast]

[Text] Experts from the International Monetary Fund are extremely concerned about whether the first credit line of 1 billion rubles, which should have gone toward stabilizing the ruble, will be opened on 7 August. The doubts arose after statements at a government news conference. It is possible that the experts will be in Moscow this evening.

Yeltsin, Turkmenistan's Niyazov Sign Treaty

LD3107185492 Moscow Teleradiokompaniya Ostankino Television First Program Network in Russian 1700 GMT 31 Jul 92

[Report by Vadim Perfilyev including remarks by President Boris Yeltsin and Turkmenistan President Saparmurad Niyazov from the Kremlin in Moscow on 31 July; introductory paragraph read by program announcer Irina Mishina; from the "Novosti" newscast]

[Text] [Mishina] Today the presidents of Russia and Turkmenistan concluded an agreement. Bilateral relations within the Commonwealth have become a priority. The outline of a Eurasian community is appearing before our very eyes, which is united both by financial calculations and by the coincidence of mutual interests. As experience has shown, such unions are solid and long-standing.

[Perfilyev] If one recalls that Russia has already concluded agreements on friendship and cooperation with Kazakhstan, Uzbekistan, and Kyrgystan, and now a treaty with Turkmenistan has also been signed in the Kremlin, then with a certain degree of optimism one might venture to say that the Commonwealth has come through its time for hurling stones, and the time has now come to collect them up. Given the current situation it would clearly be superfluous to state that the peoples of the two republics will be well satisfied with the document which has been signed. How else could they react to good relations between people?

[Yeltsin] I believe that this is a very strong step. Also, this time the largest package of documents was prepared and everyone took a long part elaborating the details.

For the first time—apart from the fact that the presidents signed the treaty—a number of agreements have been signed. An agreement has been signed between the Ministries of Defense; that is, a status is determined of the troops which exist today. This will bring peace of mind to them.

An agreement has been signed between the Ministries of Security; in other words these are border troops. Their status has been determined. This accordingly means peace of mind for them. There will be no conflicts here.

An agreement was signed between the Internal Affairs Ministries. Accordingly, there will be interaction with one another on matters of fighting crime.

I believe that today a very serious and great political step has been taken.

[Niyazov] The development of bilateral relations with all the countries of the CIS is the next step, and at present it does of course strengthen the actual Commonwealth itself. We believe that Russia is a great country, and we consider that our strategic course is to strengthen friendship on an equal basis, to respect one another, and to cooperate in the interests of the two peoples.

[Moscow Radio Moscow World Service in English at 1800 GMT on 31 July reports: "President Yeltsin says nothing will impede the Russian reform and he feels that there will be no more attempts to carry out a coup d'etat. The president was speaking at the ceremony of signing a Russian-Turkmen treaty of friendship and cooperation."]

Political Issues

Yeltsin to Sochi for Two-Week Vacation

LD0508114792 Moscow ITAR-TASS in English 0750 GMT 5 Aug 92

[Text] Moscow August 5 TASS—Russian President Boris Yeltsin, who arrived in Adler (Southern Russia) on Tuesday [4 August] after visiting Bulgaria, will take a scheduled two-week vacation in Sochi (a health resort on the shores of the Black Sea), ITAR-TASS learned today from the president's press service.

To Return to Moscow 18 Aug

OW0408170892 Moscow INTERFAX in English 1540 GMT 4 Aug 92

[From the 5 August "Presidential Bulletin" feature; transmitted via KYODO]

[Text] According to an unofficial source, following his visit to Bulgaria, Russian President Boris Yeltsin will not return to Moscow and will go on a two-weeks' holiday. Before the president's departure on Monday [3 August], journalists noticed that among the things loaded on the president's plane were tennis rackets, although no time was reserved for tennis either in Yalta or in Sofia.

According to unverified reports, Yeltsin will spend his brief holiday in Sochi. He is expected to return to Moscow on August 18.

Yeltsin Sends Greetings to Young Cosmonauts

LD0508140892 Moscow ITAR-TASS World Service in Russian 1338 GMT 5 Aug 92

[By ITAR-TASS correspondent Rena Kuznetsova]

[Excerpt] Moscow, 5 Aug—Russian President Boris Yeltsin has sent a greeting to the participants in the Fifth International Conference of Young Cosmonauts, which opened in Moscow today. "The need for cooperation in research into and conquest of the universe is obvious," the address says, "and by declaring 1992 as the international year of space, the United Nations has thereby pointed out that the further development of space programs is important for humanity and for the planet."

"You are the new generation of researchers, designers, and creators of space technology, the new generation of earth inhabitants. You will inherit responsibility for the future of the planet from the older generation." Boris Yeltsin has wished the young cosmonauts successful work. The conference will last until 7 August. It was intended as a kind of festival for schoolchildren and students of various countries who are interested in space research. [Passage omitted: further description of young participants, their interests, and the agenda of the conference]

Yeltsin Popularity Drops From 36 to 32 Percent

PM0408153392 Moscow IZVESTIYA in Russian 4 Aug 92 Morning Edition p 2

[Report by Nugzar Betaneli, director of the Institute of Sociology of Parliamentarianism: "Sociological Forecast: Consequences of Increase in Cost of Bread May Be Dramatic"]

[Text] The independent Institute of the Sociology of Parliamentarianism conducted on 30 July another poll of 1,000 Muscovites commissioned by ITA's "Itogi" program. This is what comparative analysis revealed:

The last week of July was accompanied by a consistently deepening polarization of society. The number of Muscovites who are failing to cope with price liberalization is holding virtually steady: This figure was 30 and 31 percent on 23 July and 30 July respectively, whereas the number of those satisfied with their lives was 30 and 29 percent respectively. However, the number of people unhappy with their lives rose in the same seven-day period from 64 percent on 23 July to 68 percent on 30 July. As always, "average" figures conceal the tremendous spread of social sentiments: Some 73, 71, and 90 percent respectively of workers, retirees, and nonworking invalids are unhappy with their lives.

How have Muscovites succeeded in resolving their material problems and adapting to the highly rigorous economic crisis? Evidently in the same way as other Russian citizens. The number of people who are cutting back on all manner of expenditure has increased—from 49 to 54 percent between 7 May and 30 July respectively, as has the number of people whose food supply has worsened—28 and 38 percent respectively; those who are selling their possessions—5 and 6 percent; and those who are solving their problems with the help of family members and friends—13 and 17 percent. Nonetheless 4 percent are managing with various state grants and humanitarian aid.

Regrettably, the following question has now become a matter of course: "What will happen if the economic situation in Russia does not improve over the next two or three months?" The bulk of the population at this stage are still inclined to stick to the same (albeit somewhat "waning") "survival strategy" of seeking additional income (January—42, May—34, and July—37 percent respectively), changing jobs (10, 9, and 12 percent respectively), and asking for a wage increase (15, 10, and 9 percent). As before, the wave of demands threatens to first hit "their" leadership and then the local and Russian authorities: In January 7 percent indicated that they would take part in protest actions—demonstrations, rallies, and strikes—while this figure dropped to 4 and 5 percent in May and July respectively.

The number of pessimists who think that they "will be unable to do anything" (20, 24, and 26 percent) has increased, while pensioners (53 percent) and unemployed invalids (50 percent) are most prey to social

despair. A minority of 1 to 2 percent rely on charity. I think, however, that the picture of "sluggish" adaptation is a deceptive one. It is rather in keeping with current inflation rates. But an imminent drastic price hike may bring about "social collapse."

One such element is the current bread situation in Russia. You know that some kolkhozes and sovkhozes are reluctant to supply the state with grain at former prices. Some experts calculate that if grain producers' demands are not met, the cost of bread may "soar" to 50 rubles per kilogram. Some 64 percent of Muscovites predict that such an increase in the cost of bread might have extremely dramatic consequences: Ranging from complicating the Russian Government's position and the course of economic reform—15 percent, to a mass explosion of dissatisfaction, rallies and strikes—43 percent, and even the overthrow of the present authorities—6 percent. Only 17 percent of respondents think that people will put up with further increases in the price of bread.

The level of confidence in Russia's political leaders has remained unchanged over the last month. Like a month ago, 47 percent of Muscovites have no confidence in any politician.

Comparative analysis and computer simulation have shown that the "B. Yeltsin factor" is losing its former influence on the social mood in society. Compared with the beginning of the month President B. Yeltsin's rating has dropped from 36 percent on 2 July to 30 percent of unequivocally positive assessments on 30 July.

The last poll showed that 65 percent of Muscovites to some extent oppose Russia's giving Japan the disputed Kuril islands even in exchange for economic aid. Some 59 percent of respondents do not pin any hopes of Russia's escaping from the crisis on Japanese economic aid. Some 17 percent hold the opposite view.

New Government Department Heads Appointed

LD0508090992 Moscow ITAR-TASS World Service in Russian 0825 GMT 5 Aug 92

[Text] Moscow, 5 Aug (TASS)—The Government of Russia has appointed Nikolay Telyatnikov as head of the department of foreign economic relations of the government apparatus [otdel vneshneekonomicheskikh svyazey apparata pravitelstva].

Vladimir Gusev and Nikolay Ivanov have been appointed as deputy heads of the Russian Federation state taxation service.

The government instructions on this were received by ITAR-TASS today.

Legal Representative to Parliament Appointed

OW0408172192 Moscow INTERFAX in English 1540 GMT 4 Aug 92

[From the 5 August "Presidential Bulletin" feature; transmitted via KYODO]

[Text] Russian President's Constitutional Law Department deputy director Anatoliy Sliva has been appointed presidential representative for legal issues in Parliament. Under a presidential decree, Anatoliy Sliva is given powers to coordinate President and Parliament's cooperation in forming and implementing schedules of legislative activities, considering presidential bills and submitting Boris Yeltsin's resolutions on draft laws to the Parliament.

IF [INTERFAX] Note: 52-year-old Anatoliy Sliva is a professional lawyer and has a degree of Doctor of Law.

Anatoliy Sliva told an IF correspondent that he was preparing presidential proposals regarding the schedule of legislative activities that is to be discussed at a parliamentary session in late September. Anatoliy Sliva also said that the proposals focused on implementing economic reform and honoring the Federal Treaty.

Council of Constructive Forces Cites Goals

PM0408125992 Moscow IZVESTIYA in Russian 31 Jul 92 Morning Edition p 2

[Georgiy Ivanov-Smolenskiy report: "Parties and Trade Unions Agree to Dialogue"]

[Text] A news conference devoted to the formation of the Council of Constructive Forces was held at the headquarters of the Party of Economic Freedom, in the Polytechnic Museum, on 29 July.

The object of the Council of Constructive Forces is absolutely clear—the search for mutually acceptable ways of achieving civic concord, peace, and stability. To that end council members intend to engage in "constant civilized dialogue" among themselves on specific socioeconomic problems and to collaborate with the Russian president, government, and parliament. Its first session was highly representative—the leaders of 32 parties, public movements, parliamentary factions, and trade unions took part.

Konstantin Borovoy, cochairman of the Party of Economic Freedom, stressed that council members are united by the desire to safeguard society against unconstructive, unconstitutional actions, to which the danger of people being provoked is growing because of the worsening economic situation. He also reported that the council had already discussed eight specific socioeconomic problems, including the question of a referendum, the mass media, and relations between the president and society.

Group Described as 'Roundtable'

PM0408133392 Moscow ROSSIYSKAYA GAZETA in Russian 30 Jul 92 First Edition p 1

[ITAR-TASS report: "News Conference: Center Parties and Trade Unions Ready for Dialogue"]

[Text] The leaders of 10 Russian parties and movements which regard themselves as belonging to the political center, and also 20 trade unions, have stated that they are ready to start constructive dialogue with the aim of "discussing the positions of the sides for cooperation with the president, the government, and the parliament, and also among themselves with a view to achieving civil consensus, peace, and social stability." This is stated in a joint declaration adopted yesterday at a session of the Council of Constructive Forces [CCF].

A news conference on the results of this session was held yesterday at the premises of the Russian Commodity and Raw Materials Exchange, in which the following took part: Konstantin Borovoy, cochairman of the Party of Economic Freedom, which initiated the establishment of the CCF; representatives of the Free Russia People's Party, the "Renewal" Union, and the Democratic Party of Russia, i.e. the forces that make up the Civic Union; and also representatives of the International Movement for Democratic Reforms and other parties and trade unions.

Konstantin Borovoy noted that the CCF is not a political bloc but a kind of "roundtable" opening up the possibility for dialogue. He announced that the CCF session even approved ethical norms banning its members from propagandizing their views and criticizing each other. "It is not yet a family, but it is no longer a squabble in an apartment," "Renewal" Union spokesman Iosif Diskin commented on the establishment of the CCF. "We are united by the desire to hold constructive dialogue and to refrain from adopting strong-arm methods of pressurizing the president and the government," Viktor Zolotarev, leader of the Constitutional Democrats' Party, stressed.

Konstantin Borovoy announced that a number of specific issues were discussed at today's CCF session, including the mass media, the mutual relations between the president and society, and the question of referenda.

'Civic Consent' Schedules 13 Aug Rally

OW0408175992 Moscow INTERFAX in English 1559 GMT 4 Aug 92

[Transmitted via KYODO]

[Text] The "Civic Consent" (Grazhdanskoye Soglasiye) social and political council will rally in Moscow under the slogan: "Russia For Civic Consent" on August 13. Leading Russian politicians and ecologists are expected to take part. The founders say their goal is to present political organizations, willing to cooperate ambitionlessly in the name of Russia's revival and prevention of the civil war, to the Russian and the world public.

The rally will be held at the meeting square in Luzhnikiy from 18:00 to 23:00. Location: subway station "Sportivnaya". For more details, call 306-29-90, 302-34-32.

Popov Says Nomenklatura Gaining 'Upper Hand'

PM0408141192 Moscow IZVESTIYA in Russian 1 Aug 92 Morning Edition p 1

[Georgiy Melikyants report: "Democracy Must Be Strong, No One Talks to a Weak Democracy"]

[Text] The Russian Movement for Democratic Reforms [RMDR], set up at a constituent congress in Nizhniy Novgorod on 15 February of this year, has at last been officially registered by the Russian Justice Ministry.

At a press conference at its Moscow headquarters at No. 4 Belinskiy Street, movement chairman Gavriil Popov explained the movement's views of the present state of Russian society. Rapid polarization of political forces is under way. Since the main problems are not being resolved, everyone is preparing for battle. An antireform bloc has fully taken shape, and the showdown within the democratic camp has clearly dragged on too long. That is the nature of the democrats, moreover: They will not put up with any forms of command and, in order for various currents to join forces they evidently need to clarify their positions over and over.

Everyone today pays lip service in one way or another to reform, G. Popov continued. There is indeed no alternative. The problem is the nature of the reforms and how they should be implemented. The main issue is that of ownership. With what are we emerging from socialism? With paupers or with owners? The people are being palmed off with a scenario whereby property is distributed among the nomenklatura, that is among part of the population. But that being the case, a democratic republic is nowhere to be seen: You can only go ahead with democratic elections without fear when everyone has obtained property. The nomenklatura, however, needs a "firm" regime and conflicts, preferably protracted ones, to preserve it: They are the only things that can justify such a "regime."

We are thus faced with three key tasks: to establish ownership, preserve democracy, and ensure peaceful development in society. We advocate the creation of a democratic bloc on precisely that basis, G. Popov concluded.

The questions put to him by journalists were variations on the most alarming one: Does the RMDR think it possible for "strong authority" to be established on an unconstitutional basis? G. Popov gave equivocal answers: First, he said, it is bad when you have no normal solid authority. Second, a putsch is not precluded within the framework of the current Constitution. The

third option—the use of military force—he described as not significant at prssent. By and large, in his view, the nomenklatura is so strong now that it has no need of strong-arm methods, much less of dictatorship. It only has to preserve a certain amount of tension: For instance, incite the "Reds" to picket Ostankino.

Another group of questions put to G. Popov touched on the future of the military-industrial complex. He opposed conversion in its present form, stressing that the future of a considerable proportion of the scientific and technical intelligentsia depends on this. You have to get accustomed to the idea that, no matter what, there will be an army in Russia, and a professional one too—that is, an army capable of controlling more sophisticated arms. The problem is what society will spend on the army and whether the defense industry will link its plans with demand for civilian output. The question of the military-industrial complex is effectively a question of developing high-technology production units.

The topic of the new constitution was of course one of the most "heated" at the press conference. Following President B. Yeltsin's amendments a great many elements in our draft constitution have to be revised, G. Popov said. But who is to ratify it? The current Congress of People's Deputies will not ratify it since there is no room for the Congress in the said constitution. The best solution is for the Constitution to be submitted to a Constituent Assembly, which would ratify it and then disperse. A Constituent Assembly could, moreover, be formed in various ways: either on the basis of elections or on the basis of representation. For instance, the Supreme Soviet could in its entirety form one third of the assembly, the president would appoint the second third, and the rest could be delegated by public organizations. G. Popov did not preclude the adoption of the Constitution by collecting signatures.

Journalists also asked about the RMDR's attitude to the Russian Government's foreign policy. Minister A. Kozyrev's activity is based on the unrealistic assumption that universal accord can be reached in this world, G. Popov replied. We think that the world of the future spells a world of blocs. Russia will not be given money by "everyone together": Whatever bloc it joins will support it.

When asked about the RMDR's political allies, its chairman named "Democratic Russia" (which he thinks should regroup), K. Borovoy's party, a considerable number of N. Travkin's party, and some of the patriotic movements, where forces are also regrouping.

As you know, the bull has been chosen as the RMDR's emblem. Why? The chairman said: Why do the two leading parties in the United States have the elephant and the ass as their emblems? The bull is the beast of burden on which Mikula Selyaninovich [reference unknown] plowed the land...

So, you're an optimist?—G. Popov was asked toward the end. "Regrettably, no. The nomenklatura is gaining the upper hand in our country at this point, and the bureaucracy has more chances of doing this today." "What if there is a spontaneous popular explosion?" "Then the military will establish order and you won't get anything. But I believe in social compromise. For that, however, democracy must be strong, no one talks to a weak democracy."

The press conference invitation promised that A. Sobchak would attend. However, the St. Petersburg mayor did not turn up. "Isn't that due...?" "Not at all," Political Council member V. Orel reassured people, "Anatoliy Aleksandrovich will be on vacation from Monday and you yourselves know what things are like before you go on vacation..."

The certificate of the RMDR's registration was then, as in other houses, "doused" in champagne. A glass each.

'Idealist' Justice Minister Fedorov Profiled

PM0508103792 Moscow ROSSIYSKIYE VESTI in Russian 25 Jul 92 p2

[Andrey Kolesnikov profile of Justice Minister Nikolay Fedorov under the "Government Personalities" rubric: "Minister in Opposition"]

[Text] Nikolay Fedorov is the youngest minister in the first postcommunist government (we should point out, incidentally, that, a Chuvash by nationality, Fedorov is the only representative of his republic—which forms part of Russia—in the federal government). Whereas ministerial portfolios have long since "slipped" from the grasp of some of the ministers appointed at the same time as Fedorov in the summer of 1990, the justice minister has been reappointed for the third time. Moreover, Fedorov has the reputation of being a fairly tough politician who is not afraid to "speak his mind" to "the men at the top."

There are several reasons for this, but the main one, however paradoxical it may be, is that now that he is head of the ministry, the lawyer who began his political career as a member of the democratic opposition has established himself as a democratic professional, rather than as a professional democrat. You could even say he is a rationally democratic professional. He has never belonged to the cohort of "loudmouths," but also has never renounced his beliefs. Fedorov has always defended liberal values in law.

Pursuing his previous line in the present political situation must mean he feels himself to be in opposition to a certain extent. Not in opposition to democracy, but to the ochlocracy which mimics it. Or to another extreme: to the politicians who incline toward authoritarianism in law.

This is possibly the area where Fedorov has most made a name for himself. He believes that laws should not be changed at the hierarchy's whim, but quite the reverse: that the latter should adapt its aspirations to fit the laws.

It is not the justice minister's fault that attempts have been made to follow another line in legal policy in parallel to this natural line.

Differences between Justice Minister Nikolay Fedorov, Sergey Shakhray, and Russian Supreme Court Chairman Vyacheslav Lebedev manifested themselves particularly strongly when the Constitutional Court was debating the Decree on Forming the Ministry of Security and Internal Affairs. It was not Lebedev, chairman of an independent court, but Fedorov, a man apparently totally dependent on the president, who spoke out against the decree on merging security and internal affairs bodies. Moreover, he spoke out publicly, rather than in a private conversation closeted away with friends. He was the only representative of the presidential team whose opinion, as it later transpired, coincided with the stand taken by the Constitutional Court. It is all perfectly simple: His opinion was founded on the law.

Is it part of the justice minister's job to act as "legal arbiter" with regard to the conduct of politicians who incline toward authoritarianism in the law? Probably, yes. He has to prevent the manifestation of cynical legal nihilism and then redouble his efforts to "push through" self-evident changes in legislation and draft laws without which we simply cannot survive.

Fedorov's "main thrust" has always been legal reform. He was responsible for preparing and holding the first congress of judges in Russian history and literally "forcing through" the concept of legal reform, adopted by parliament. He has gone on to put this concept into practice. A law prepared by the Ministry of Justice, which gives judges the right to individually hear cases, was adopted this May. The benefits of this law have yet to be assessed by judges and by those who come to the courts "on business," as they say. The law will affect half of all criminal cases and two-thirds of all civil cases. Now the Supreme Soviet is discussing Ministry of Justice proposals on the possibility of cases being heard by three professional judges.

What is the response to the Law on the Status of Judges, recently adopted by parliament? There has been so much talk "in the perestroyka era" about the need to enhance judges' status, establish real guarantees of their independence, and ensure their protection—literally as well as metaphorically. There have been so many promises about judges receiving a special salary, being given real leave, and being guaranteed financial security when they retire—in short, at the very least being granted the privileges long enjoyed by the militia, for example. All this has now appeared in the new law.

Naturally Fedorov's department has not been idle while waiting for this law. Remember how the transfer of party buildings to the courts shook everyone. In fact, they have received almost 1,000 new buildings (there are 2,500 courts in Russia as a whole). These are the very same courts whose dilapidated premises were on the brink of collapsing around them. In the two years that Fedorov has been "in power," the number of legal officials has grown one and a half times. Or take another result. In 1989, appropriations for the courts' upkeep amounted to just 0.08 percent of the state budget. They rose to 0.15 percent in 1990 and 0.30 percent in 1991. According to estimates, they will amount to a whole 1 percent of the budget in 1992. An achievement? Of course. But Fedorov believes that even this amount is insultingly low for the "third estate."

Legal reform does not just mean reform of the courts. Fedorov was the first to speak from an official tribune about the need for genuine reform in the legal profession, as opposed to mere window dressing. In the minister's opinion, protecting Russians' rights is directly linked to the problem of eliminating the monopoly enjoyed by the closed, elite clubs known as colleges of attorneys. The Principles of Legislation on Attorneys prepared by the Ministry of Justice have gotten through the parliamentary hearings. Fedorov's appeal—"we cannot live this way"—has also been heard by notaries. It was said very recently that the idea of a private notary system has "grabbed the masses" so much that parliament passed the Principles of Legislation on Notaries on the first reading.

Another two big problems will not allow Fedorov to rest, to use his words. First, there is the problem of instituting a system of bailiffs. Or, to put it another way, a special police force attached to the courts. With bailiffs, there will be order at court sessions, court orders will be properly carried out, and the judges themselves will feel more at ease. That, incidentally, is extremely important. Second, Fedorov has plans concerning the system of corrective labor establishments. In other words, he wants to "transform the camps into what they should be—penitentiaries." "Convicts are not slaves, and colonies are not slave plantations. People are in jail to serve sentence, not to 'repair' the planned economy. Surely that is obvious?" he says.

It has seemed to many that the legal reform and other projects for transforming the legal system championed by Fedorov are Utopian. The minister is an idealist. That is something new in politics. But perhaps idealism is what is needed most now in this delicate business. Moreover, the law is a sphere of ideal constructs.

Cossack Leaders To Meet in Moscow

OW0408104092 Moscow INTERFAX in English 0930 GMT 4 Aug 92

[Transmitted via KYODO]

[Text] On Friday and Saturday [7 August and 8 August] Moscow is to play host to the Grand Council of the Cossack Union. Representatives of almost all former Soviet republics are expected to attend.

According to the head of the Cossacks' Union Aleksandr Martynov, the practical steps to implement recent government decisions rehabilitating Cossacks will be the

focal point of the assembly. The president, vice-president and speaker of parliament, the mayor of Moscow and many other prominent figures have been invited.

Political Rehabilitation Progress Reviewed

OW0308183892 Moscow INTERFAX in English 1556 GMT 3 Aug 92

[Transmitted via KYODO]

[Text] The collegium of Russia's Security Ministry discussed at its Monday's session compliance with the bill on rehabilitating the victims of political repression. Addressing the session Anatoliy Krayushkin, chief of the department of archives, said that a total of 3,853,900 persons were convicted between 1917 and 1990 in the territory of the former USSR on charges of crimes against the state, banditry and the like. 827,995 of them were sentenced to death by firing squad. As for the total number of those subjected to repression, it might amount to ten million people, said A. Krayushkin.

More than 737,000 people were rehabilitated between 1954 and 1962. Subsequently this work was suspended, with the exception of a few cases, till the perestroyka began. Another 1,043,750 people were rehabilitated between 1987 and 1990. In the meantime judicial and extrajudicial decisions concerning 56,000 people remained valid.

According to A. Krayushkin, at the moment the archives of Russia's security agencies still contain some 445,000 cases to be revised under the bill on rehabilitating the victims of political repression.

Russia's territory harbors more than 100 known mass graves where victims of lawlessness lie. 84 of these are recognized as official graveyards. 11 such mass graves are located in the area of Moscow and Moscow Region.

The session was attended by Viktor Bulgakov, chairman of the Moscow city council commission for rehabilitation. He said that the health of our society depends on the efforts to re-establish justice toward people victimized during the reign of terror. He called for stepping up these efforts. At the same time V. Bulgakov called in question the number of victims cited by A. Krayushkin. The Security Minister V. Barannikov retorted that "this number stems from documents", even though the leadership of his ministry doesn't rule out the possibility that there could have been more victims.

V. Barannikov qualified the draft resolution on this issue as unsatisfactory. It was decided to draft within two weeks a "concrete joint document" with the participation of several other agencies, including Russia's parliament.

Political Parties Criticize Return of Honecker

Sets 'Dangerous Precedent'

OW3107212592 Moscow INTERFAX in English 1824 GMT 31 Jul 92

[Transmitted via KYODO]

[Text] Chairman of the administration of the Free Russia Peoples' Party [FRPP] Vasiliy Lipitskiy believes that in the issue of former GDR [German Democratic Republic] leader Erich Honecker, the Russian side "obviously acted with an eye toward Russia's realistic economic dependence on German credits." Honecker was expelled July 29 from the territory of the Chilean embassy in Moscow and was transported to Berlin on a special flight.

Lipitskiy pointed out that the expulsion of the former GDR leader "encourages the practice of exerting political pressure in the struggle to ease debt and gives rise to additional doubts regarding the independence of the present government of Russia's actions." The FRPP leader stated that the "behind the scenes passing of the decision" establishes a dangerous precedent, and "could negatively influence the development of Russia's political situation." Lipitskiy believes the prosecution of political figures carries with it the danger of mass repression. "According to this act, hundreds of thousands of officials from Eastern Europe and the former Soviet Union could be held responsible for earlier deeds which were perfectly legal at the time," emphasized Lipitskiy.

The day before the FRPP's press service expressed "deep regret" that in deciding Honecker's fate, the authorities didn't act on principles of humanism.

Government Played 'Shameless Role'

OW0208162892 Moscow INTERFAX in English 1540 GMT 2 Aug 92

[Transmitted via KYODO]

[Text] The secretariat of the Central Committee of the Soviet Communist Party elected by the self-styled 29th party congress on July 4 has lodged a protest following the expulsion from Russia of the former East German leader, Erich Honecker. Its statement issued in Moscow on Sunday [2 August] points to the government's "shameless role" in the Honecker affair, which, it says, has reaffirmed that the Russian Federation has no foreign policy of its own.

"Seeking to intimidate all supporters of socialism in the country, says the statement, the federal government of Germany is planning to bring a veteran anti-fascist on trial without any legal grounds whatsoever". The secretariat believes that "the world public must show solidarity with Honecker who is being subjected to unlawful repressions and demand that the German authorities set him free immediately".

Economic Issues

Civic Union Outlines Economic Program

MK0508123092 Moscow KURANTY in Russian 5 Aug 92 p 2

[Pavel Zakharov report: "No Program Yet, but There Will Be]

[Text] Yesterday, experts from the Civic Union submitted for public judgment their own economic program as an alternative to that of the government. In fact, as political consultative committee member I. Diskin stressed, it is not exactly a program yet in the strict sense of the term. The program will be ready in September. The document presented to journalists is called by its devisers "conceptual economic priorities."

The new concept implies the activation of demand in the consumption and investment sectors via the indexation of earned income; institutional reforms, including the creation of a life-support system for the economy and maintenance of the population's consumption level; a structural policy aimed at achieving resource-technology balance in the economy; and an anti-inflation strategy.

In the authors' opinion, the implementation of their program requires first and foremost social stability and the restoration of viability to the state and interrepublic economic ties.

While paying tribute to the "theoretical comprehensiveness and thoroughness" of the government program for deepening reforms, the Civic Union representatives nevertheless criticized it sharply, primarily because, in their view, it is "not based on the realities in Russia." But whether the "realities in Russia" will accept their program is also a big question.

Program 'Opposed' to Government

LD0508004192 Moscow ITAR-TASS in English 1901 GMT 4 Aug 92

[By ITAR-TASS correspondent Sergey Podyapolskiy]

[Text] Moscow August 4 TASS—The Civil Union political bloc, uniting a number of Russian political parties and the "Smena. New Policy" parliamentary faction, has announced its experts complete the elaboration of an alternative program of the Russian economic revival. The program can and must be opposed to the governmental program leading, in the opinion of the bloc experts, to the "devastation of the Russian industry".

At a news conference here today alternative program authors criticized the policy of the Gaydar cabinet and said the fulfillment of the recently approved by the government "program of deepening of economic reforms" is fraught with the appearance of an effect of "compressing economy" in Russia with a clear priority of fuel-raw material industries and progressing deterioration of the material base of consumer and investment sectors.

The alternative proposals of the Civil Union mainly dwell on the need to boost the demand in the consumer and investment sectors at the expense of indexation of wages and salaries—up to 90 per cent of the price rise. They also include de-nationalization of small and medium enterprises, state support of medium and small businesses and new commercial banks and investment funds.

A key measure of the program is the rise of the rate of tax on revenue up to 55 per cent with a simultaneous introduction of benefits on financing of investments, social spending, research and development and production of consumer goods. The anti-inflation strategy of the civil union experts provides for the preservation of state regulation of prices on energy carriers, encouragement of financial accumulations of enterprises, anti-inflation regulation of the currency exchange rate and direct regulation of prices on basic foodstuffs.

The final version of the Civil Union program with detailed calculations will be ready in September.

Bank 'Will Soon Cancel' Debt Concessions

OW0408143392 Moscow INTERFAX in English 1344 GMT 4 Aug 92

[Transmitted via KYODO]

[Text] Minister for Economy Andrey Nechayev told IF [INTERFAX] in an exclusive interview that the Central Bank of Russia will soon cancel the provisions of its telegram No. 166-92 of July 28 envisaging additional credit emission for covering the long-overdue debts of Russian enterprises.

The decision was taken by the Cabinet during a conference chaired by First Vice-Premier Vladimir Shumeyko and attended by the Central bank's Acting Chairman Viktor Gerashchenko. Nechayev described the conference as rather sharp, noting that the Cabinet members had different views on the problem.

Asked by IF [INTERFAX] if the Central Bank will implement the decision of the government to which it is not accountable, Nechayev said that he was 99 percent sure it will. He also said that the government is considering measures to compensate in 1993 the spending by enterprises which have to import raw materials and equipment for their own needs. The Finance Ministry, said Nechayev, suggested that the sum be limited to 200 billion roubles. In his opinion, however, this sum should be much greater. He also noted that the state money will not be given to enterprises as direct subsidies but will be reserved in the list of state-run enterprises' spending items. The bulk of imports, he continued, is coming in at

the expense of credits not current revenues. So enterprises will receive loans which they will have to repay, not subsidies.

Speaking about the need to continue hard-currency trade Nechayev said that it was a forced measure to some extent. The termination of such trade might scare away foreign companies which have streamed into the Russian market. The government has plans to set up offices for exchanging hard currency for roubles in all of the hard-currency stores, so goods might be bought for roubles, as well.

Nechayev described as normal the Central Bank's decision to allow commercial banks to sell hard currency to individuals without any limitations. This will help make the rouble convertible, he added. He said he doubted that the dollar's exchange rate will rise dramatically.

Dire Impact of Bank Directive Predicted

PM0408143592 Moscow IZVESTIYA in Russian 4 Aug 92 Morning Edition pp 1, 2

[Article by Petr Filippov, chairman of the Russian Federation Supreme Soviet Subcommittee on Privatization: "Central Bank Head's Directive Threatens Catastrophe"]

[Text] By August 1992 almost one-half of the output of Russia's enterprises was being supplied to consumers not just without payment but without even any hope of ever receiving any money for it. The suppliers' demands for payment have simply been filed away among the consumer enterprises' records.

For example, the director of the "Rostselmash" Combine Harvester Plant met with no particular resistance when he signed contracts for the supply of metal at a clearly exaggerated price which covered the metallurgical enterprise's inflated expenditure. He in turn built into the combine harvesters' price the cost of surplus managerial personnel, the excessive number of workers employed in unskilled labor, and so forth. The plant sent combine harvesters to depots of the Ministry of Agriculture Main Administration for Material and Technical Supply [Glavselsnab] without their consent and entered that debt among its credits. A substantial "paper" profit was thus achieved. The consumers' debt was 2 billion rubles [R] higher than the suppliers' debt. It did not bother the director that kolkhozes and private farmers simply cannot afford such expensive farm equipment. He knew that the state is rich and will write off the debts.

Such conduct by the economic nomenklatura has become widespread. Leaders of state enterprises ostentatiously ship output, absolutely confident that the government will pick up the tab for them. The reciprocal debt of enterprises is rising by R35 billion a day. The economy is in deadlock: Given the prices at which enterprises want to sell their output, over R1 trillion will have to be "injected" into the national economy just to replenish circulating capital.

The Russian Government realized the danger of this uncontrollable process and understood, that in order to heal the economy and increase enterprises' responsibility for the deals that they conclude, it is necessary to remove state enterprises from financial dependence on the state (it really should not be responsible for the debts of enterprises). For that purpose a presidential decree on the flotation of enterprises was issued. And a presidential decree on bankruptcy has been adopted to punish persistent defaulters who use raw materials in output that no one needs. A package of normative documents has been prepared on changing payment and accounting relations in industry so as to prevent the growth of bad debts. In order to liquidate state enterprises' mutual residual debts after the nonpayment problem has been settled, it is planned to create an Agency for the Management of the Debts of State Enterprises.

Then suddenly, a thunderbolt. On 28 July, V. Gerashchenko, acting chairman of the Central Bank, sent out a telegram instructing that credits be granted to state enterprises to cover reciprocal payment debts. This is how the Central Bank intends to resolve the "nonpayment crisis" at a stroke.

This telegram has extremely important political consequences. If it is not amended, its implementation will be in violation of the president's decree "On the Normalization of Payment and Accounting Relations in the Russian National Economy" dated 1 July 1992. All social justice will be wrecked. Those enterprises which have managed to foist more unwanted or unduly expensive output on consumers will be in a privileged position. The bank will pay "Rostselmash" all the Glavselsnab's debts for combine harvesters which are standing rusting in the open air. Customers will not receive combine harvesters but the plant—the prime candidate for bankruptcy—will be in profit thanks to the bank.

The following fact provides a commentary on the position of the authors of the telegram. The bank will meet the cost of state enterprise payments for goods, services, and work only to the benefit of those same state enterprises. It has been decided that their debts to private firms, cooperatives, companies, and even kolkhozes will not be sorted out. Let private operators go to the wall. It seems therefore that the Law "On Property," which established the equality of all forms of ownership, does not apply to the Central Bank.

It is staggering but true that by this "little" telegram Russia is canceling its international commitments to its creditors in the Paris Club. The point is that Russia has now been granted a rescheduling of its debts in exchange for a commitment to cure its financial system. According to these commitments credit emission cannot exceed R400 billion in the third quarter and R250 billion in the fourth quarter. If those commitments are broken Russia will be excluded from the ranks of civilized countries which do honor their commitments. We will feel the consequences of that very soon. We will be denied a rescheduling of our debts, foreign supplies of grain and

components will end, followed inevitably by the stoppage of many enterprises and food problems.

This telegram essentially means a turnaround in Russia's economic and political history. It sounds the death knell of market reforms. The accompanying vast emission of credit will be pumped into wages, causing an explosion of inflation. It has been calculated that prices will rise 50 percent as early as September and will double each month thereafter. These galloping price rises will be accompanied by a universal shortage. This will lead to the collapse of the financial and banking system.

All world experience shows what happens after that. Social discontent will sweep away Gaydar's government, and then the parliament and the president will follow. Wages and prices will be frozen and there will be a return to the communist system of distribution. But that road passes through massive repressions and the restriction of political and economic freedoms.

There is no alternative: The directive of the Central Bank's acting chairman as set out in the telegram must be changed. The negative balance of enterprises' indebtedness cannot be covered by bank credit. Strictly in accordance with the president's decree, the Agency for the Management of Enterprises' Debts must legally inherit those debts. Negligent workers must be punished financially.

So why is it that V. Gerashchenko, who has a reputation as a skilled banker, cannot understand the consequences of such a step but has taken it anyway? Some people believe that the whole blame for this is borne by his deputy, V. Solovov, who prepared this telegram. Several months ago he was dismissed by G. Matyukhin from the Central Bank of Russia for dogmatism but was recently reinstated. But the answer most probably lies elsewhere: V. Gerashchenko is merely performing the duties of the Central Bank chairman and as such is entirely dependent on the favor of Yu. Voronin, deputy chairman of the Russian Supreme Soviet, and A. Pochinok, chairman of the Russian Supreme Soviet Committee for the Budget, Plans, Taxes, and Prices. The position of the latter two is well known: They want to protect all enterprises—both the promising ones and the outdated ones which should be modernized because their equipment is obsolete and worn out—from the harsh demands of the competitive market. They want to protect the director class en masse: Both those who have done everything possible to increase the competitiveness of their enterprises and those who have continued to use costly raw materials for the production of output that no one needs.

Supreme Soviet, Government, Bank Leaders Confer

PM0508150592 Moscow ROSSIYSKAYA GAZETA in Russian 4 Aug 92 First Edition p 2

[Russian Federation Supreme Soviet Press Center report: "Central Bank 'Formula'"]

[Text] A conference has been held at the House of the Soviets between Russian Federation Supreme Soviet Chairman Ruslan Khasbulatov and the leaders of financial bodies and members of the republic government. The following, among others, took part: V. Gerashchenko, chairman of the Central Bank of Russia; Yu. Voronin, deputy chairman of the Russian Federation Supreme Soviet; and G. Khiza, Russian Deputy Prime Minister.

The topic of discussion was the problems affecting the banking system and its state and development prospects. It was noted, in particular, that the Central Bank of Russia has a special role to play in today's condition: It should cease to be a subsidiary part of the planning system and become the basic mechanism, a kind of linchpin ensuring the unity of the economy and making it possible to meld all the diverse actions of the players in the market. The basic constituents of Central Bank policy were clearly delineated—its relations with the government and parliament, the commercial and national banks of CIS countries, and the IMF and other international financial organizations.

As Khasbulatov noted, the Central Bank must develop its policy independently on the basis of sound business contacts regulated by special agreements on collaboration which rule out petty supervision, rather than according to the formula of "subordination to government" or "accountability to parliament."

Participants in the conference paid special attention to relations with the national banks of the former USSR republics. The ruble zone as such should be clearly delineated, and membership of it should be accompanied by strict undertakings by the partners and participation in the joint drafting and implementation of finance, credit, and monetary policy. Nor can it be ruled out that the idea of setting up an interrepublic bank will be studied.

Specifying the Central Bank of Russia's paramount tasks, the Russian Federation Supreme Soviet chairman noted, in particular, the importance of solving problems within the system of reciprocal settlements and those relating to cash in the republic.

Bank Aide Says Cash Crisis Over by End of Aug

PM0408153592 Moscow ROSSIYSKIYE VESTI in Russian 30 Jul 92 p 1

["Own Information" report: "One Hundred Rubles Is Like One Kopeck"]

[Text] It seems the ice has broken. The rustle of cash can be heard around cities and villages. During a business trip around the country, even our president was forced to assume the role of spokesman for the Central Bank of Russia. Speaking to the people of Omsk, he delighted them greatly with an announcement that 500 million rubles in newly printed notes had arrived with him in the oblast.

"Cash problems will be solved once and for all by the end of August," Aleskandr Yurov, director of the Central Bank of Russia Department for Emissions, said optimistically. "It was difficult to set the wheels of the printing machines in motion, but now the inundation of our ruble zone with cash is progressing with true vigor. Apart from the new 5,000-ruble notes, which have already come into circulation, Russians will also be using coins with the higher nominal value of five, 10, 50, and 100 rubles as of 3 August."

Chubays Commission Outlines Priority Measures

PM0408152392 Moscow ROSSIYSKAYA GAZETA in Russian 4 Aug 92 First Edition p 3

[AEN report under the "Economics" rubric: "Priority Measures"]

[Text] The Russian Government is starting to implement the priority measures envisaged by the medium-term Program for Deepening Economic Reforms. They will be coordinated by the specially created government commission headed by Deputy Prime Minister Anatoliy Chubays.

The government categorizes such measures as the following: The conclusion of agreements with CIS states within the ruble zone on a coordinated financial policy and the formation of the structure of a state contract system designed to replace the practice of centralized supply of resources for industry. Draft documents regulating the issuing and implementation of personal privatization accounts have been prepared.

Bunich Says Production Drop Causes Inflation

OW0508062992 Moscow Central Television First Program and Orbita Networks in Russian 1845 GMT 20 Jul 92

[Interview with Pavel Grigoryevich Bunich, member of the Presidential Consultative Council of Russia, by Aleksandr Panov and Tatyana Vedeneyeva; from the "Utro" program—live]

[Text] [Panov] Pavel Grigoryevich Bunich, our well-known economist and member of the Presidential Consultative Council of Russia, is the guest of the Utro program. Pavel Grigoryevich, to what extent is the Consultative Council a working body?

[Bunich] It meets once every two or three months, or very rarely. Of course, we would like this to be more often; every time Boris Nikolayevich [Yeltsin] meets with us, he begins by making a ritualistic statement to the effect that our meetings will henceforth be permanent.

[Vedeneyeva] Everybody knows that the Consultative Council includes people who are very well versed in their spheres and have a great deal of prestige, but I would simply like to recall their names: Volkogonov, Bogomolov, Ryzhov, Tikhonov, Arbatov, Zakharov, and Yemelyanov. I suppose various topics are discussed, certainly not just one? The president recently promised—I want to bring the topic a little closer to our viewers—that the income of the population would grow in parallel with prices.

[Bunich] You are very well informed, because I heard this promise for the first time only at the Presidential Council. I had always hoped that it would occur. Maybe it was leaked somewhere, I simply know nothing about that. Speaking about the first five months, from 1 January through May, there are three interesting figures. First, prices increased 4.8 times—you will say it was more, but I am giving you the official figure. Second, income increased only 2.4 times. In other words, we became twice as poor. Third, food prices increased nine times. So income increased 2.4 times while food prices increased nine times. In other words, as far as foodstuffs are concerned, we became four times poorer. So all we are doing now is spending money on food while we do not have enough money left over for anything else. So I think we really are in a very critical point, a point for which we are now paying.

Generally speaking, all of this happened in January. Since the beginning oF February, salaries began to grow a little faster; however, it seems the people did not notice this too much, although there were certain reasons for this. I gave you a figure for the whole five months, but during the last few months, even though cash incomes have grown faster, we are still paying for what the people lost in January alone. The government program says that inflation will amount to 3 percent a month by the middle of next year; when we had our meeting with the president, he reiterated this figure. I think this will not be so; we will have to view it as a good result if the monthly increase in prices comes out to be 10 percent, or even 15 percent.

[Panov] Do you think it could be even worse?

[Bunich] I think prices will increase a lot more than 3 percent a month. This must be considered in advance, because if we stick to 3 percent, we will not issue enough currency and will once again have insufficient money in circulation. If the figure reaches 15 or 20 percent—a more realistic increase—at least we will be able to prepare for it. Last time we noted that agriculture would not tolerate unfavorable prices for very long. Prices are high, but they are still better for the city than for agricultural areas, which will not tolerate this. Now we are witnessing the beginning of this; the agricultural sector is being offered 6-7 rubles per kilogram of grain while it demands 13-15 rubles. Soon the demands will include meat and dairy products, because profitability here is much less than for grain, and so the claims will be much stronger. So everything here will also increase.

There is another thing. You mentioned a parallel growth in incomes. If incomes increase in parallel—for example,

if prices increase, say, 1,000 percent a year, then salaries must also rise 1,000 percent. However, if monetary incomes grow, we get a boomerang effect. They once again affect the market place and cause an increase in prices. So if we have parallel incomes, there will be parallel increases in prices.

There are other reasons that are not as noticeable but nevertheless... [changes thought] For instance, take apartment rental costs.

[Vedeneyeva] They will also increase?

[Bunich] Absolutely. They will definitely increase next year. Whether there will be any compensation is another topic, but the fact that they will rise is unequivocal. There is also transportation, such as electric trains, where the limit has not yet been reached—where the full cost of travel is not yet being charged. But how can transportation survive if it must exist according to free prices for everything else? So on the one hand it is freed while on the other it is restricted. Inflation should be forecast at a rate of 15-20 percent. Of all the reasons for the increase in prices we have named, we have probably not yet mentioned the most important one—and it is not the possibility of oil price increases and so forth. The most important reason for the increase in prices is the drop in production. It is an economic law.

When there are not enough goods, prices are higher—perhaps not in proportion, but they are always higher. As long as the fall in production continues, all the talk about freezing or ending the current inflation will not occur. In other words, the issue is: Can the decline be stopped somehow?

First, the figures we are being promised regarding the decline are not very good. In other words, little is being planned to contain it.

[Vedeneyeva] How can this be done in reality?

[Bunich] Just a minute. For last year, for 1991, I think the decline was 12-16 percent. This year, we have been promised a decline of 15 percent. If we add them, we get 27 percent. For next year, or for 1994, [as heard] we are promised another 5 percent; so we get 32. And this is not all. Let us say we are being promised a decline of 30 percent. If we have a 30-percent decline, we will survive. Now, 20 percent of the decline is a result of a lack of conversion or insufficient conversion. The second reason for the decline is very serious; it is caused by the fact that there are no imports. There are such branches as the light and chemical industries, which cannot survive without imports.

So what are the prospects? If we had not been promised a postponement in debt repayments in Munich, there would be no prospects at all. In others words, it would be impossible to eliminate this cause for the decline. It would continue to have an influence and would become worse. However, we were promised a postponement of debts. Boris Nikolayevich said three years were necessary although we had asked for two, and that included interest payments. In other words, money from exports will not have to go to offset these debts, and it will be free, more or less, and will permit the purchase of imports that will slow down the decline.

There is something else. It would be good if the decline were eliminated through new investments, the establishment of new plants, and the construction of new capacities, but we cannot build too much. Nevertheless, the people and enterprises have more money than it seems. The money exists, so if it could be collected somehow and invested....

[Panov] A lot of other problems arise because a great variety of various instructions, regulatory documents, and decrees exist that often contradict one another. I know that at the last Consultative Council meeting you spoke about the need for legal reforms. To what extent were your proposals accepted, heard out, or discussed?

[Bunich] Your question is a very serious one. The issue, of course, is one of legal reforms. To tell you the truth, we did not get much support. But there is still time, so all is not lost. The fact of the matter is that the legal environment—I mean the lawyers, investigators, legal advisers, and arbitration court judges, if we take economic law and the entire legal crowd in general—was more under the control of the command economy and command politics than even the economists. They were educated by them. So their antimarket nature—I hope they will not be offended—is far more strongly entrenched; just talk to any militiaman. So legal reform is needed more in this area, a wholesale retraining of personnel, including those working now as well as those who are studying. In fact, very few are studying, and education is being curtailed.

The second side of the matter, which is far more important but depends on the first one, is the fact that laws here are adopted haphazardly. So we have huge blank spaces—not to mention that laws often contradict one another and contradict the times. So, there are things without which it is impossible to live, yet these things are constantly being postponed. There are some laws with which we could bide our time, yet they are being adopted because they are supposedly better prepared. A section on legal reforms simply does not exist in the government program that we are discussing. Several laws are mentioned in it, but only along the lines of this same principle.

[Panov] One gets the impression that there is a complete mix-up of minds there somewhere, in the sphere of...

[Bunich, interrupting] Things are quite bad in the legal sense. Besides, the last thing I would like to say in connection with this is that laws should be decided before economic issues. First, there must be laws, and then people to implement them.

[Panov] I would like to remind our television viewers that our guest was Pavel Grigoryevich Bunich, our well-known economist and member of the Presidential Consultative Council of Russia.

[Bunich] Thank you.

Currency Auction Suggests 'Minor' Fluctuations

PM0408152592 Moscow IZVESTIYA in Russian 31 Jul 92 Morning Edition p 7

[Ivan Zhagel report: "Foreign Currency Market Takes Breather"]

[Text] The latest auction on the Moscow Foreign Currency Exchange 30 July brought the following results: The exchange rate was set at 161.2 rubles [R] to $1 (it was R161.1 at the last auction) and total sales were $23.13 million.

The situation on the foreign currency market can be said to have moved close to equilibrium. At any rate, at the latest auction the amount of prior applications to sell foreign currency was roughly the same as the number of prior applications to buy it. This time the amount of Central Bank of Russia foreign currency interventions was the smallest in the last month. Specialists think that there will be minor fluctuations in the rate of exchange around the current level.

Only export enterprises' mass compulsory sale of 20 percent of their foreign currency, as the Central Bank of Russia's new directive demands, can drastically destabilize the situation. But to date no one can say precisely when the preparatory measures that the bank is taking to implement this directive will come to an end. According to some assessments, foreign currency will start arriving on the market in bulk in August, while others say that this will only start in September.

Tax Study Foresees Investment, Subsidy Cuts

PM0508095992 Moscow ROSSIYSKIYE VESTI in Russian 30 Jul 92 p 1

[RIA report: "Russian Federal Taxes"]

[Text] In the first five months of this year the profits earned by enterprises, organizations, and private firms in Russia—that is, by all corporate bodies that pay tax—amounted to 450-500 billion rubles [R]. This assessment was made by experts from the DelSi (Business Siberia) analysis center. Profits tax yielded R99.5 billion in the first quarter, R116 billion in April, and R101.4 billion in May. In all, profits tax (levied at between 32 and 45 percent) accounts for 50 percent of total federal budget revenue—33.7 percent comes from value-added tax, 5.4 percent from excise duties, and 10.9 percent from income tax. In total, there are around 40 different types of taxes and imposts levied on Russian Federation territory.

The DelSi experts note that the government will be forced to substantially reduce state capital investment and to cut or completely end subsidies in connection with the planned changes in tax rates and the introduction of new types of benefits. A downtrend has already been noted—in 1991 capital investment and subsidies amounted to 15.5 percent of GDP, but had fallen to 7.7 percent by the first quarter of 1992. The corresponding figures for budget spending on sociocultural purposes were 13.8 and 7.2 percent. The DelSi experts conclude that the government will be striving to freeze capital investment at the physiologically necessary level, and that social spending will have to be shouldered by the population.

Government Plans To Develop Ports, Railways

OW0208155392 Moscow INTERFAX in English 1436 GMT 2 Aug 92

["Cover Story" from the 3 August "Business Report": "Russia Preparing for Major Development of Sea Ports"; transmitted via KYODO]

[Text] The department of marine transportation in the Russian Transportation Ministry this October will present Parliament with a program to develop the republic's sea ports and the railroads leading to them.

The program is designed to develop the potential of the ports and will allow Russia to transport freight independently. The capacity of Russian sea ports will be gradually built up to handle shipments currently passing through ports in neighboring nations.

At the first stage of the program (until 1993) 17 mn [million] tons of freight will be transferred from Baltic and Ukrainian ports to ports in St. Petersburg, Vyborg, Kaliningrad, Murmansk, and Arkhangelsk (export coal and metals, imported grain, and piece shipments), Novosibirsk, Tuapse and Taganrog (export coal and ore, import grain, metals, crude oil).

Some of the cargo will be rerouted to ports in the Far East, and to river and fishing ports in the northwest and southern basins.

The second stage of development (1993-1998) includes the renovation of 48 and the construction of 14 new cargo transfer complexes at existing ports; new ports will be built in Tsemesskaya Bukhta, Vanino, and on the Baltic Sea. By 1998 Russia will be able to handle 240 mn tons or 92% of the expected volume of freight. This stage will require 2.4 mn rubles and $0.9 bn [billion] (based on 1991 prices) in investments, and another 1.2 bn rubles to add on to railroad systems.

The third stage (up to the year 2005 and later) must provide Russia with the capacity (using the newly constructed ports and processing complexes) to handle all of the republic's main cargo, as well as cargo from neighboring nations and international shipping.

Russia will not cease operations at neighboring ports entirely, especially Baltic and Ukrainian ports. If mutually beneficial agreements can be reached Russia plans by the year 2000 to route 20-25 mn tons of cargo at these ports (mainly metal, chemical shipments, liquid gas and others).

Financing for the program will come from Russian ports, steamship lines, cargo firms, landlocked CIS nations, and foreign investors. The government will finance the program through direct investment, low-interest loans, and land allocations for construction. A special customs policy and tax privileges will also be established. The government will grant a number of tax privileges for the ports, including exemption from taxes on investment and profits which will be used for renovations, and the introduction of a payment system for imported hoisting and conveying machinery by lowering the amount of hard currency the ports must sell the government. The project envisages the formation of joint ventures, stock companies, and the leasing of ports to attract foreign capital. The government guarantees all foreign investments in the development of the republic's ports.

IF [INTERFAX] Note: The Russian Federation currently has 40 sea ports, only 11 of which process foreign trade cargo (which transfer over 70% of cargo). The ports' total capacity is 166 mn tons of cargo a year. The carrying capacity meets just 37% of Russia's requirements. Transportation ministry experts projected that maintaining the capacity of the ports this year will cost $57 mn.

Crime Specialists Discuss Penal Policy

LD0508105792 Moscow Teleradiokompaniya Ostankino Television First Program Network in Russian 1400 GMT 4 Aug 92

[From the "Novosti" newscast]

[Text] A briefing devoted to the system of discharging punishment in conditions of economic reform was held 4 August at the Russian Ministry of Internal Affairs.

[Correspondent A. Lutskoy] We intend to continue close cooperation with the penitentiary services of the CIS countries and the Baltics, Petr Mishchenkov, Russian Deputy Minister of Internal Affairs, stated at today's briefing. Criminals should harbor no illusions about the possibility of hiding from justice in the former republics of the USSR. Over half a million prisoners, including 18,000 women and 20,000 juveniles, are now being held in Russia itself, in internment areas.

The situation in prisons and colonies remains complex; instances of disturbances, rioting, the taking of hostages, and resisting authority have become more frequent. For example, a report came in today about five break-outs. Recently the government and the Supreme Soviet worked out a number of legislative acts aimed at improving the work of the whole system. Among other things, a convicted person may be allowed to carry out private enterprise; he may sign an insurance agreement and take paid leave lasting 12 working days.

It should be noted that in many colonies the wages of convicted persons amounts to about 1,600 rubles [R], and 800 industrial enterprises functioning in the system produce output worth R60 billion annually. But whereas previously labor construction establishments brought revenue to the state, now, because of an imbalance in market relations—over-reliance on state subsidies—common sense does not advise anyone to renounce the prison system, but it means that all of us are interested in our penitentiary system becoming more civilized more quickly.

Agricultural Issues

Sharp Rise in Food Prices 'This Fall' Seen

LD0508130192 Moscow Russian Television Network in Russian 1000 GMT 5 Aug 92

[From the "Vesti" newscast]

[Text] Speaking at a conference of the Russian Ministry of Economics today, Yegor Gaydar declared that the country is facing another trial - an increase in prices for this year's grain. Although fierce arguments are going on in the government and in the localities over what the final procurement prices will be, Yegor Gaydar thinks a sharp hike in food prices awaits us this fall, even if procurement prices as low as 10,000 rubles per tonne of wheat could be set. The government sees its task as preventing the new rise in prices from being an abrupt once-only hike.

Gaydar believes that continuing to subsidize prices out of local budgets is contrary to common sense today, as shop counters in all areas that are attempting to maintain prices by force will confirm. In Gaydar's view, Tatarstan, the capital of low prices, has today become the capital of food shortages.

Rutskoy Accuses Ministries of 'Irresponsibility'

LD0508131992 Moscow ITAR-TASS in English 1251 GMT 5 Aug 92

[By ITAR-TASS correspondent Vasily Titov]

[Text] Moscow August 5 TASS—The operational headquarters for gathering and storing up this year's harvest met in the Kremlin today under the chairmanship of Vice President Aleksandr Rutskoy.

"The situation in the agro-industrial sector," the Russian vice president said, "is exceedingly tense: On the average only 3.1 of the amount of grain planned for the current year have so far been purchased by the state. [sentence as received] Only two percent of the planned amount of potatoes have been procured. Thirty nine percent less coarse and succulent fodder have been procured as

compared to last year. The head of large and medium cattle has decreased by 27 percent.

"The situation is equally deplorable with the technical supply of farm husbandries. On the average only 70 percent of the farm machinery was ready for harvesting in Russia by early August, the peak of the harvesting period. The state is still indebted to agriculture for the crops purchased from it in 1990-1991. There are constant interruptions with the supply of fuel and spare parts to farm husbandries."

"In light of these serious facts," Rutskoy stated, "it is absolutely impossible to understand the inactivity and irresponsibility of many Russian ministries and departments which, in accordance with several presidential decrees, were obliged to ensure the timely harvesting and safety of this year's harvest."

The meeting participants were recommended to take urgent measures to rectify the existing situation. The vice president stressed that the Russian leadership did not intend to tolerate patiently what is happening in agriculture. "We shall resort to the most resolute measures," he said, "and the guilty will be brought to answer."

PRAVDA Reviews Harvest Progress

PM0408115592 Moscow PRAVDA in Russian 1 Aug 92 p 2

[Reports by correspondents Viktor Pankratov, Valeriy Stepnov, and Marlen Kryukov, followed by Aleksandr Platoshkin commentary: "The Grain Is There. How Will We Harvest It?"]

[Excerpts] PRAVDA correspondents Viktor Pankratov (Stavropol), Valeriy Stepnov (Voronezh), and Marlen Kryukov (Rostov-na-Donu) put this question to people engaged in growing grain or organizing its harvesting and procurement.

V. Zholtikov, chairman of Stavropol Kray's "Baklanovskiy" Kolkhoz [Collective Farm]: "The harvest in our kray promises to be quite good." [passage omitted]

V. Shabanov, chairman of Voronezh Oblast Soviet of People's Deputies: "The Chernozem Zone has been affected by late rainfall. The grain crops had already completed their formation, and the harvest shortfall could be very considerable. At a recent assembly of oblast agricultural workers the participants cited the following figures: It was planned to sell 850,000 tonnes of grain to the state. We will manage, however, to supply no more than 200,000 tonnes. A Ministry of Agriculture commission has confirmed these gloomy forecasts.

"The peasants have no incentive to do business with the state. There has been no payment to date for the above-plan grain and the seeds of oil-bearing crops sold in 1990 and 1991. That comes to 5.8 million rubles [R] in freely convertible currency.

"The current extortionate prices dictated by industry are out of kilter with the prices for agricultural produce. And while official propaganda has ceased calling for the breakup of kolkhozes and sovkhozes [state farms], the government's economic policy has not been restructured."

A. Rodin, president of Rostov Oblast Association of Peasant Farms and Cooperatives: "There are over 5,200 private farms in the Don region, which have more than 120,000 hectares of plowland; that is not many by today's yardsticks, but it is the dynamics that are important. Last year there were several times fewer peasants' allotments. Attitudes to individual peasant farmers are also improving.

"The farmers carried out the sowing quite well comparatively. Preparations are now under way for the harvest. The areas under crop basically promise a good harvest. True, it will not be easy to bring it in. There is a shortage of equipment and difficulty in obtaining fuel. The resources allocated have basically gone on spring field work. According to the most modest calculations, Don farmers need R1.2 billion in credit. However, to date we have received only R570 million. That is not enough. Admittedly, another R437 million has been received. But it is all in the timing. If the money had come earlier, we could have made better use of it: We would still have been able to buy equipment at the old price."

Our Commentary

So, will we manage to cope with the grain harvest? The interviewees, albeit with reservations, answer in the affirmative, and this, incidentally, is confirmed by the forecast for Russia as a whole. According to the specialists, 95-98 million tonnes of grain could be harvested. That is more than last year's 89 million tonnes.

However, there are few grounds for celebration. Having completed the sowing with difficulty and accumulated debts, the countryside now stands unarmed in the face of the next "battle for the harvest." Even the few financially successful farms are in no position to carry out extended reproduction. The area sown to crops and the livestock headcount are declining.

Here are a few results. Purchases of livestock and poultry are now down 28 percent, milk 30 percent, and eggs 21 percent. That was as of May. The half-year results promise no joy. In the traditionally dairy-oriented Maritime Kray, the production of milk and its processed products was down one-third: The dairy herd is being slaughtered because the supply of concentrates fell almost 20-fold. And this picture is universal.

The stock of equipment is getting old and there are no funds to renew it. It costs a kolkhoz 100 cows to buy one combine harvester! Galloping prices and excessive taxes are smothering the countryside and stymieing its efforts to feed the country. Aid in the form of pathetic subsidies for a particular kolkhoz or sovkhoz product will not get

farms off their knees. Constant, substantial support for the agrarian sector is needed.

The operational staff for carrying out the harvest and ensuring that it is safely stored, which was set up by the Russian Government, is meant to give such support during harvest time. The operational staff's goal is to help bring in and store the harvest in whoever's hands it may be—kolkhoz, sovkhoz, or private farmer.

A good venture, although the countryside saw a lot of staffs, operational teams, and emergency commissions during the years of Soviet power. It is true that, as a rule, they left nothing behind save hustle and bustle and verbose communiques. The new staff has just one chance to prove that it is better than the previous ones—by giving determined and specific assistance during the harvest.

We have the grain in Russia, after all. And it must be harvested without fail. We cannot feed a people numbering many millions with foreign handouts!

Bread May Become 'Special Treat'

924A1677A Moscow TRUD in Russian
30 Jul 92 p 1

[Report by M. Chkanikov: "How Much Will Bread Cost?"]

[Text] The current grain harvest campaign shows that once again Russia will not have enough of its own grain. The forecasts predict a rather small harvest—90 to 100 million tonnes, while in all honesty what is needed is one and a half times as much. The mowing and threshing started two weeks later than usual, and the pace of harvesting is slower than in past years. As always, the weather is the culprit...

Our readers already know that the agricultural sector is in no hurry to sell grain to state procurement entities. They are not satisfied with the procurement price for grain offered by the State Committee on Grain Products—10 rubles [R] per kilogram of grade III wheat. True, lately a different amount—R13—was being mentioned. It is unlikely, however, that many farm directors will accept this compromise.

One can understand them. The point is that this year kolkhozes and sovkhozes are obligated to sell 35 percent of their grain to the state but, unlike in the past, at market prices. Approximately one-third of the grain used to be appropriated under both Brezhnev and Khrushchev—and in those times, too, the amount needed as seed grain and livestock fodder was left with the producer. With rare exceptions, this is all the farms can afford to sell anyway. "Since we now have free-floating prices," contemplates a director or chairman, "we have to get the maximum for it—to make up for the unprofitable sale of milk at fixed prices, for the debts the government still owes us from previous years, and for future price increases."

Farm directors have learned well from last year's experience. That fall they sold their output at the old prices; then, after 2 January when prices were raised, the millions they had earned turned into kopeks. These days, when all people talk about is the imminent price increase on energy, nobody is in a hurry to part with the grain. There are certainly not too many who are willing to give it away at R10 per kilogram. They are asking R15 to R18.

For the ordinary city consumer, however, even the price being offered by the State Committee on Grain Products is a tragedy. Because a loaf of bread made from the R10-per-kilo grain may cost about R25-20. This is not all; the rising cost of the grain in market conditions will bring about an increase in the prices of other food products. According to experts' estimates, a kilogram of butter may cost more than R600, and of meat—whatever it currently costs at the farmers market.

It is clear that at current wages at least for three-quarters of Russia's inhabitants even a slice of bread will become a special treat. True, the government is planning some sort of subsidies, but it is unlikely that they will be large. They do not have the money either...

The situation in Russia is clearly that of a gathering storm. If the farmers are pushed and forced to sell wheat at R10, they may simply not have enough money to sow winter crops, let alone everything else. Rest assured that the ordinary city consumer will not benefit from this. Neither can we rely on the hidden reserves in the city consumers' wallets: They are already beggarly empty. There is one more way: The government prints another pile of crisp pieces of paper that resemble money in appearance but in essence no longer are, and provides huge subsidies both for farmers and city dwellers. Behind it, however, is a new phase of inflation, and the expansion of the already enormous hole in the budget...

It is hard to tell right now where it will all end. In conclusion, however, a fact without comments. At the Moscow Commodity Exchange grade III wheat is already being offered at R19-20 per kilogram...

As we went to print[subhead]

The Coordinating Council for Collective Actions of Russia's Agro-industrial Complex Workers has declared 5 August the Day of Peasant Unity. The peasants will hold processions and picket the local organs of power demanding revision of the system of state procurement prices. It has been decided to not organize such actions in Moscow.

According to the trade union of agricultural employees, regional strike committees currently have been established in 60 regions of Russia. In addition, strike committees exist in 685 entities of the agro-industrial complex. The trade union refuted the contention that the farms are sabotaging the state grain procurement and pointed out that such occurrences are rare.

Report on Consequences of Russian Grain Prices

LD0208221192

[Editorial Report] Moscow Teleradiokompaniya Ostankino Television First Program Network in Russian at 1700 GMT on 2 August, in the "Itogi" newscast, carries as its lead item a 6.5-minute report on the Russian grain situation.

Reporter Anna Prokhorova, says that experts predict a Russian grain harvest this year of 93-96 million tonnes, 30 percent of which constitutes the state order. The starting price is 10 rubles per kilogram, but the final price is the market price. At the present inflation rate, grain could become a refuge for the tumbling ruble, she notes. Moreover, a premise for increased inflation is the state orders themselves.

KOMSOMOLSKAYA PRAVDA adduces the following statistics:

	World Wholesale Price	Russian Wholesale Price
Wheat	16-17,000 rubles	10-20,000 rubles
Fuel	24,350 rubles	68,000 rubles

Yevgeniya Serova, economic adviser to the Russian agriculture minister, is shown at a desk, stating it is hardly likely that grain producers will receive prices of up to 30 rubles per kilogram from the state, which they are receiving from commodity exchanges. Prokhorova asks why, then states that this is because wholesale grain prices affect retail bread prices.

Leonid Cheshinskiy, chairman of the Bakery Raw Materials Committee, says: "If we buy grain at a price above 10 rubles, or even at 10 rubles, then this price will be approximately 30 rubles on average per kilogram of bread. If it is over 10 rubles, as the peasants are requesting today, then the price will approach 40 rubles." Cheshinskiy is shown in an office as he is interviewed.

A poll carried out especially for the "Itogi" newscast shows that if, as Aleksandr Rutskoy warned, a loaf of bread costs 46 rubles, then 17 percent of respondents think people will reconcile themselves to this, 15 percent think this will complicate the reform process, 43 percent consider that a mass explosion of dissatisfaction, rallies, and strikes are possible, and 6 percent think that it will bring down the present authorities. There is a risk that commodity exchanges could buy up grain, leave it with the producer, and then sell it at an increased profit in January through March.

Ex-Soldiers Being Helped To Become Farmers

PM0508100192 Moscow ROSSIYSKAYA GAZETA in Russian 30 Jul 92 First Edition p 1

[Unattributed report: "Peaceful Professions for Officers"]

[Text] A total of 50,000 officers who have been discharged into the reserve will become private farmers in the near future, Aleksandr Temerko, chairman of the Committee for Servicemen's Social Security under the Russian Defense Ministry, announced to journalists.

This is the number of officers who are currently expressing a desire to work in the countryside, he said. This number will increase, bearing in mind the planned cuts in the Russian Armed Forces of over 1 million men during the next few years. In the formulation of proposals to establish peasant and private farms and agricultural and other cooperatives, the committee is encountering complete mutual understanding from the leaders of Russia's oblasts and local authorities who allocate land and are actively helping out by providing construction capacities. For example, in Tula, Leningrad, and Moscow Oblasts, at least 1,000 reserve officers' private farms will operate, and in Voronezh Oblast there will be more than 200.

At first the committee is keen to set up model demonstration private farms in order to assist in training decent specialists. According to Aleksandr Temerko, the conditions for this are being established in the Moscow region, where reserve officers and even some retired generals are setting an example. They are growing potatoes and vegetables and cultivating a large area of land. A total of 20 officers' families are successfully engaged in private farming in Nizhniy Novgorod Oblast.

A special Russian Government resolution makes provision for help in setting up these farms, Aleksandr Temerko noted.

Conversion Issues

Presidential Aide Hits Too-Rapid Conversion

PM3107105992 Moscow KRASNAYA ZVEZDA in Russian 28 Jul 92 p 1

[Report by BIZNES-TASS correspondent Oleg Deyneko: "Progress in Conversion"]

[Text] Moscow, 27 Jul—"Conversion of defense enterprises should not exceed 3 percent per year and what is happening here is not conversion, but convulsions," Mikhail Bazhanov, chairman of the State Committee for Conversion under the Russian president, told a BIZNES-TASS correspondent.

Conversion is a very expensive pleasure, Bazhanov said. Specialists reckon that the conversion of industry's defense sectors in the United States and Russia will cost $150 billion or rubles [amounts as published] and will take five to seven years.

Supreme Soviet

Constitution Commission Secretary To Visit Kurils

OW0308195292 Moscow INTERFAX in English 1838 GMT 3 Aug 92

[Transmitted via KYODO]

[Text] Senior secretary of the Russian Constitution Commission Oleg Rumyantsev, who initiated the parliamentary hearings on the problem of the South Kuril Islands which were the subject of dispute with Japan, arrived Monday [3 August] in South Sakhalinsk. He plans to discuss with the Sakhalin government a mutual relationship between Sakhalin and federal authorities, and also to clarify the opinion of the Sakhalin people on the Kurils problem.

Rumyantsev believes the parliamentary hearings on the Kuril islands problem marked the beginning of a comprehensive discourse on the future of the Kurils. He is convinced that the government has no clear precedent for solving the problem, and that this was demonstrated by the parliamentary hearings.

Rumyantsev leaves the Kuril Islands August 4.

Commentary on Kuril Islands Debate, Solutions

PM0508094992 Moscow SOVETSKAYA ROSSIYA in Russian 4 Aug 92 p 1

[Vladimir Isakov "Parliamentary Diary": "Sorry For Winning"]

[Text] The halls of the Supreme Soviet are empty, the parliamentary corridors are silent, but it has not been possible to "send on vacation" the difficult problems that ail Russian society today. On 28 July, on the eve of the president's visit to Japan, parliamentary hearings organized by the Committee for International Affairs and Foreign Economic Relations and the Russian Federation Constitutional Commission were held into the problem "of Russian-Japanese Relations and the Problem of the Integrity of the Russian Federation." The hearings were headed and chaired personally by S.A. Filatov, first deputy chairman of the Supreme Soviet. The unprecedented attention of the press, the placing of the session under militia guard, and the attempt by representatives of "Democratic Russia" to disrupt it—all this attested that the object of discussion was by no means a routine question of political life.

Translating from diplomatic language into generally accessible language, the theme of the hearings reads as follows: "On the Kuril Islands." Like any other complex political issue, it has its prehistory. The island of Sakhalin and the Kuril Islands were discovered by Russian pioneers and seafarers in the 17th century. The active exploitation of the islands began at the same time. The indigenous population, the Ainu, were given Russian citizenship, baptized, and had the yasak [a tax in kind] imposed upon them for the benefit of the Russian treasury. By a decree of Catherine II dating from 1786, "the chain of the Kuril Islands, close to Japan" were incorporated into Russia's possessions "by right of first discovery."

Somewhat later the other neighboring state—Japan—turned its attention to the rich, well-endowed islands. In 1798 a Japanese military detachment under the command of M. Kondo disembarked on the island of Iturup and tore down the orthodox crosses and other signs of Russia's ownership of these territories. Exploiting the fact that the Russians had not consolidated their military and administrative control over the islands, Japanese sentry posts were set up on other islands of the chain also.

Subsequently, the islands of the Kuril chain passed more than once from hand to hand, this is reflected in numerous documents in international law. Thus, according to the Portsmouth Treaty (1905), which sealed the results of the Russo-Japanese War, all the Kuril Islands and the southern part of the island of Sakhalin passed to Japan. According to the San Francisco Peace Treaty (1951), which enshrined the results of the Second World War, Japan gave up all claims on the Kuril Islands. But... on Stalin's whim, the Soviet Union was not a party to the San Francisco Peace Treaty, and did not officially receive rights to the Kuril Islands.

Seeking to settle Russian-Japanese relations, his successor, N.S. Khrushchev, in 1956 signed the Joint Declaration, which stipulated that after the conclusion of a peace treaty with Japan the islands of Shikotan and Habomai would be transferred to that country. But... the cold war began, and a peace treaty with Japan has not been concluded to this day.

Understanding the complexity of the Kuril problem, B.N. Yeltsin, during his visit to Japan in 1990, put forward a five-stage settlement plan, which was favorably received by both Japanese and world public opinion. The plan envisaged (a) recognition of the problem, (b) joint exploitation of the islands, (c) demilitarization of the islands, (d) the conclusion of a peace treaty with Japan, and only in the concluding stage, in 15-20 years' time, (e)—the decision of the fate of the islands according to various options.

What happened? Why has the problem of the Kuril Islands, which received, it would seem, the proper diplomatic solution, again come to the forefront of foreign policy? There are several reasons for this.

The first and principal of these is the disintegration of the Union and the severe weakening of Russia. Japan, which has more than once in the past exploited such factors for the purposes of territorial acquisition, has decided that its "lucky day" has arrived. The Japanese side's stance has become markedly tougher: Russia must recognize the fact of its illegal occupation of the islands, and not just two, but all four of the contested islands must be handed over to Japan; and before this, there can

be no question whatever of any kind of peace treaty. Japanese diplomacy has gone over to the offensive, trying to "internationalize" the problem and to link international economic aid for Russia with a solution of the question of the "northern territories."

Another cause is an inability to move away from slogans to concrete practical actions. The most important element of the settlement plan—the joint exploitation of the islands—still remains on paper, to the massive disappointment of the indigenous population of the islands. Wishing to mark at least some progress, the Russian side today has implemented the third stage—the demilitarization of the islands. The current contingent of Russian troops on the Kuril Islands has been reduced to 5,000. Against the 60,000-strong U.S.-Japanese contingent on Hokkaido...

Japan has found a vigorous and effective supporter in the realization of its plans in the shape of... the Russian Ministry of Foreign Affairs. Studying the views of Minister A.V. Kozyrev, G.E. Burbulis, and other Russian foreign policy leaders, you come to the conclusion: On virtually every vexing question (and there are many) the juridical "leeway" is uniformly given to the Japanese side. This process goes beyond the bounds of decency: All Japan's military acquisitions are declared "incontestable"; what Russia won is declared illegal and juridically worthless. The one state that falls wholly into the category of "aggressor" turns out to be... the Soviet Union. And Japan, naturally, turns out to be the "victim." In short—renounce the islands and sin no more. It is only a matter of juridically formalizing all this during the president's visit.

The Ministry of Foreign Affairs' position is supported by a small but vocal group of parliamentary "democrats"—S.N. Kravchenko, P.S. Filippov, A.P. Surkov, S.F. Zasukhin, N.T. Yakimenko. Having failed to disrupt the hearings, they did everything to ensure they ended in a "draw." It is possible, without a great deal of thought, to slap some kind of label on these people... But let us restrain ourselves from tub-thumping impulses, and try to penetrate the essence of their position. It can be reduced, as I understand it, to the following arguments.

First. The seizure of the Kuril Islands was part of a sinister imperialist plan hatched by Stalin. Russia was the aggressor in this war, Japan the victim. We should confess and return everything we seized.

Second. Russia must prove in deeds that it respects international legality and human rights, and that it has matured to the level of the "civilized countries." The handover of the Kurils to Japan is our redemption fee for the right to enter the family of "civilized nations."

Third. The priority at the present stage is economic development. Handing over the islands will open the floodgates for Japanese economic aid, which will shake up the wagon of Russian reforms and pull it out of the mud in which it has become bogged.

The debate on the Kuril Islands, has, like a photographic plate, shown the face of the Russian "democrats": Some believe devoutly in the "market ideal" and are frenziedly carrying it to the "benighted people;" others are slyly trying to win favor with the new "lords of life" in the hope that they will take notice and not forget. I do not want to enter into a polemic with them here; indeed, it is hardly necessary to do so. The record of the hearings unambiguously testifies that the economic losses from the loss of the islands are incomparable with any economic aid. To what lengths can you go, indeed, to insinuate yourself into the antechamber of the "civilized nations" so you can sit there for a just a while, just a very little while?

The most important result of the hearings is the realization that simple, "populist" solutions are illusory. To continue the dialogue, to search for an outcome which would satisfy everybody—this approach really would accord with the practice of the "civilized nations" and would not lay new mines which would have to be defused by future generations. Deputy S.A. Mikhaylov perhaps expressed this idea most clearly: "Friendly relations with Japan correspond to Russia's national interests. But Japan too is interested in having a friendly Russia alongside it. If the poles are simply reversed, the place of humiliated Japan will be occupied by a humiliated Russia, and this would suit noone, and would not move us a step nearer to peace and stability in the region."

The position of the Japanese side itself is also not unequivocal, it seems to me. Today the problem of the "northern territories" is a powerful factor in uniting and consolidating Japanese society; moreover Japanese Communists occupy an even tougher position than the government on this issue. If this problem were to disappear, then society would be split on the issue of aid to the "former enemy."

...The parliamentary hearings, as is often the case, did not end in clear and unambiguous recommendations. It was decided to form a commission, which will report results and conclusions to the Russian Federation president. Before they eyes of the astonished public, its membership was supplemented by none other than S.N. Krasavchenko and A.P. Surkov...

Shakhray Moves To Protect IZVESTIYA

LD0308144692 Moscow ITAR-TASS in English 1300 GMT 3 Aug 92

[By ITAR-TASS correspondent Lyudmila Yermakova]

[Text] Moscow August 3 TASS—Russian Federation People's Deputy Sergey Shakhray, who upholds in the Constitutional Court as a representative of the Russian President the latter's decrees, today moved to court in a new capacity. Together with People's Deputies Aleksandr Kotenkov and Igor Bezrukov, he asked the Constitutional Court to check whether the Russian Supreme Soviet acted in line with the Constitution when it issued the resolution on the newspaper IZVESTIYA.

The duty was paid, the application was accepted and under the law it can be examined by the court within six months, Shakhray told journalists after he handed over the document to the Constitutional Court secretary.

We do not accuse the Supreme Soviet but say that "a real threat was created to everyone's constitutional right to look for, receive and freely distribute information," he emphasised. There is a danger that the newspaper, once it is made subordinate to the Supreme Soviet and dependent on it, "will cease to be impartial in covering relationships between the parliament and bodies of the executive and judicial authorities, lower soviets, and the work of individual deputies."

"Actually, legislative authority, once it interfered in the spheres which are under the authority of the executive and judicial branches, has encroached also on the fourth power—news media," Shakhray emphasised.

The authors of the application think that by "stating that the IZVESTIYA staff use assets illegally, that they violated the law on the press in registering the newspaper, and deciding, relying on these arguments, that the newspaper IZVESTIYA of the Russian Federation soviet of people's deputies should be issued on the basis of the state publishing house and the former newspaper of the same name, the parliament passed the decision on the issue which is not in its competence."

In this regard, the people's deputies ask the Constitutional Court to recognise the resolution of July 17, 1992 as being at odds with the Constitution and invalid. They maintain that this resolution runs counter to the fundamental law "in the content of standards and the procedure of its adoption from the point of view of the division of legislative, executive and judicial authorities and the delineation of competence between the supreme bodies of state authority and Government of Russia."

The people's deputies also ask the Constitutional Court chairman to demand that the Russian Parliament speaker suspend the fulfillment of the resolution until the case is examined by the Constitutional Court.

Filatov Opposes Referendum on Constitution

PM0308111292 Moscow IZVESTIYA in Russian 31 Jul 92 Morning Edition p 2

[Report by Inga Prelovskaya: "Sergey Filatov Opposes Adoption of Constitution by Referendum, Considering This Congress' Affair"]

[Text] During a meeting with journalists in the White House 29 July Sergey Filatov, first deputy chairman of the Russian Supreme Soviet, said that an important event occurred today: The president returned to chair the Constitutional Commission in order to take part in its work until a Constitution is adopted. This marks the beginning of a balance of power, collaboration between the various branches of authority.

When asked by journalists how he views the president's proposals on the broadening of the executive's powers Sergey Filatov said that "they must be studied." When asked bluntly whether he will support the broadening of the president's powers, he replied that he would in principle although he thinks that the Constitution should not include any interim measures but only fundamental provisions. In his view, the name of the authority is not that important—presidential or parliamentary—it is the content that this formula is given, the balance of forces between the branches of authority, and the balance between the president's power and that of the parliament that is important. He thinks that the president's powers must be examined together with those of the parliament. It is important to work out a mechanism for collaboration between the government and the parliament. When the whole government is close to the president mishaps arise in its relations with the parliament. Ministers stop coming to parliament, even for questions that concern them, but send their subordinates.

Filatov spoke against fresh attempts to drag out alternative draft Russian constitutions: The Sixth Congress of Russian People's Deputies basically approved the concept of the Constitution and that is the basis on which further progress must be made.

What organ should adopt the Constitution? In Sergey Filatov's opinion, it should be the Congress of People's Deputies. Neither the convocation of a Constituent Assembly nor a referendum seem constructive to him for adopting a constitution.

When asked about the future of the body of deputies, Sergey Filatov said that they must serve their elected term. Once the Constitution is adopted a transitional period is needed where two paths are possible: Either the Congress is transformed into a Supreme Soviet and some deputies work in the localities, or clear regulations should be adopted as to which fundamental issues merit the assembly of a Congress, transferring some of its powers to the Supreme Soviet. In Sergey Filatov's opinion, it is important to retain continuity in all organs of representative power in order to obtain a body of professionally trained parliamentarians. He stressed that an amicable tone prevailed in the work of the Constitutional Commission although opposing viewpoints were voiced.

During the press conference Sergey Filatov also broached the matter of the parliamentary hearings on the Kuril question. They have been held in camera for one purpose—to prevent damage. So as not to complicate the coming talks with imprudent or overly emotional opinions, giving deputies and experts a chance to express their opinion in a totally frank and unconstrained way. He thinks that this discussion has provided a wealth of material in every respect—legally, politically, economically, and militarily. Sergey Filatov said that the viewpoint of those who, considering Russia the rightful heir of the USSR, insist that the international treaties it

concluded should be respected sounded most convincing. That is also the point of departure in the approach to the Kuril problem. Needless to say, the actual negotiating process may be protracted given the complexity of the problem and our domestic political situation.

Filatov stressed that as a result of the hearings the question was not whether the president should or should not go to Japan, as some mass media have said. That is up to the president himself. But it is important for the president to have the kind of proposals that would cause Russia and Japan to take at least a step forward in the talks.

Medvedev Interviewed on Ethnic Conflicts

LD3107201292 Moscow Russian Television Network in Russian 1445 GMT 29 Jul 92

[Interview with N.P. Medvedev, chairman of the Supreme Soviet Commission for Ethnic Relations, by unidentified correspondent; from the "Facing Russia" program; place and date not given—live or recorded]

[Text] [Correspondent] The political reality is that the Ukrainian, Russian, Moldovan etc. national parliaments took a vote and decided to make their countries sovereign and independent. But economic and other realities are not so simple. A vote is not enough to achieve economic autonomy. That requires a complex process to alter very complex relations. Ukraine and Russia, or Ukraine and Georgia are bound in a thousand ways. The links between all the countries of the former Soviet Union are very close. Do you think the current period is transitional in this sense?

[N.P. Medvedev] Right. You see, when the political aspects of this major problem... and we, the Supreme Soviet of the Russian Federation, have failed to take into account the things that you have mentioned. Major economic problems generally abide by their own economic laws. After all, Ukrainian and our Russian enterprises were and still are involved in cooperation. Russian and Ukrainian people have still maintained their relations on a routine everyday level: Russian citizens go on business trips to Ukraine, and Ukrainians go on trips to Russia. But big politics, decisions by the Supreme Soviets, have perhaps failed to take all this into account. For instance, Ukraine has recently started issuing its own passport and people will soon be getting it. Instead of nationality the passport will indicate a registered place of residence. Russia also has similar intentions. But so far we are still holding the passport of the USSR citizen. In this connection, we, Supreme Soviet politicians and state leaders, I have in mind presidents, must bear all this in mind. Unless we take note of this, we will be severed from the processes which are developing among people, labor collectives and various public ethnic movements—in real life, in other words.

[Mazheyka] Incidentally, demagogues are likely to find this situation very convenient.

[Medvedev] Can you sense how politicians are changing their political stance on this? Let us take the Moldovan example. I have headed three parliamentary groups in Moldova. I deeply respect Mircea Ivanovich Snegur, president of the Moldovan Republic, but when I was there a few months ago he adopted a clear stand: the Republic of Moldova is a sovereign state, no rapprochement with Romania is likely in the foreseeable future. On this basis it was easy to talk to the Dniester region. But when there was a change in the direction of the processes which were under way, and when Mr Druc—who is now running for presidency in the Republic of Romania....

In this situation citizens of the Dniester region can see that reality is changing, whatever important politicians may say. And it is very good that President Snegur has now changed his stance. But now having changed his stance, the former leaders who were to a great extent instrumental in conducting the pronationalist Moldovan ethnic movements—I have in mind above all the former Defense and Security Ministers—and who have by now resigned... now I am absolutely certain that these ethnic movements will be in opposition to the president. Considering this, the leaders occupying such a high post must be very diplomatic. Both the Supreme Soviets and presidents must take note of all this.

[Correspondent] In other words, very complex and delicate ethnic problems are sometimes exploited in the political game. It is not the complex and delicate problems, but the political game, that sometimes determines decisions.

[Medvedev] Yes, politicians cannot but take this into account. But the problem is this: These political games, as you have described them, the tendency of state leaders to change their position is a normal phenomenon in the diplomatic world, but political and economic realities are abiding by their own laws. Take the instance of the Dniester region in Moldova. The issues that are now being tackled there are urgent.

Boris Nikolayevich Yeltsin and Snegur agreed to disengage the sides involved in the conflict. I believe this issue is a burning one—one which requires resolution. But at the same time, what needs to be considered is the strategic issue of whether Moldova will unite with Romania, since this is the issue which gives rise to the main problem—that of the status of the Dniester region. Yet that issue has not yet been resolved.

The Moldovan Supreme Soviet must resolve these strategic tasks. In many respects future peace will depend on the extent to which the Supreme Soviet will be able to exercise a wise, tactful and diplomatic approach in its taking into account all the aspects and everyone's interests and above all the interests of the Dniester region. Because we can go back to square one, to the initial point from which we are now starting to move ahead. What is happening has happened before.

I have already mentioned that when I was there three times and when we decided and separated the sides involved in combat actions and shooting...[pauses] But

again, unless we resolve the main strategic issue, we will not be able to move forward and settle into normal foreign policy and foreign economic relations, including between Russia and Moldova.

My other instance concerns South Ossetia. South Ossetia is the question of all questions. When I participated in the talks between Northern Ossetian Supreme Soviet chairman and Georgia, I represented the Russian side. When the Georgian deputy prime minister was afraid of saying a word about the South Ossetian Autonomous Oblast, because the Georgian parliament does not recognize these terms and calls is the Tskhinvali region, that is an ethnic problem which cannot be avoided. The hostile sides can be separated. But the question of the political and legal status of the territory that used to be called an autonomous oblast, the one the Georgian leaders are now calling the Tskhinvali region, that question will eventually arise again. We will have to go back to it.

In other words, strategy and mode of conduct must not be far apart in this respect. Perhaps on a diplomatic level they can be divided but not very far apart, since strategic questions are very important and they will reemerge. They will have to return to tackling the same old Tskhinvali issue unless they resolve that strategic question.

[Correspondent] One other problem is the Russian-speaking population of what we now call the neighboring foreign countries. The problem is most acute in the Baltic countries. You are cochairman of the interparliamentary commission on Estonia, isn't that correct?

[Medvedev] The interparliamentary group for cooperation between the Supreme Soviet of Russia and the Supreme Soviet of Estonia.

[Correspondent] What is dicussed there? How are problems resolved there? In my view they have been exacerbated lately.

[Medvedev] Well, the problem here is much more complicated because the Baltic countries are not even members of the CIS and they have already set up their state institutions to a certain extent. Unfortunately, in the process of setting up their national and state institutions and adopting their own national laws, these countries did not take everything into account. First of all, they did not take account of the realities, they did not take account of the international norms when adopting citizenship laws, or when adopting property laws and language laws.

I am thinking of the large Russian-speaking population there, as high as 42 percent. I, of course, was doubtful whether we had adopted the correct approach to tackling this question between Estonia and Russia when we adopted the Supreme Soviet decision on human rights in Estonia. Because on the one hand over 40 percent of those living in Estonia are Russian speakers. It appears that they are not now citizens of Estonia. On the other hand, I frequently wonder how things stand from an international legal standpoint? Since we in Russia are the successors to the Union, perhaps they are now citizens of Russia because they bear the passport of citizens of the Union. I am told in the Foreign Ministry that no, they cannot simply, officially, immediately become citizens of Russia, since it is necessary to follow set procedures, to submit applications, and so on. Because all of this comes under the sphere of citizenship law.

Well, officially, that is the way it works. But the reality is that it is difficult to explain to ordinary people whose citizens they are. What is a purely legal question, the question of citizenship, must be tackled on a different plane, on the national plane, the ethnic plane. They say: We are Russians, why are you not defending us? In general they are right, that the Russian state of their fellow countrymen in constructing its foreign political activity should, as a priority, defend their interests, and take account of these facts.

[Correspondent] The whole point is how to do this.

[Medvedev] It is another matter how to do this, as you rightly say. When we sometimes, including in the Supreme Soviet, tackle this by methods lying somewhere between the old diktat from the center...

[Correspondent] That is, strong-arm methods.

[Medvedev] Yes, and new democratic methods, of course; our colleagues feel this and they react. They react very strongly. They say, excuse me, we are now sovereign states, let us tackle all these questions in accordance with the requirements of international law—by UN and CSCE precepts. But the question, of course, is also a complicated one. I think that the politicians of the Baltic countries should take account of realities and, first of all, those connected with the presence of our troops there. Not because we wish to prolong their stay but because the economic situation now is such and the other political realities are such that, at present, it is simply impossible to withdraw them immediately.

Even if anyone, the Russian president or the Russian parliament, wanted to do this, it is simply impossible. It is necessary to take all of this into account and not to proceed from the position of taking account of only one's own positions and one's own interests. That is not possible in foreign political activity.

I would be remiss if I failed to stress that crude violations of human rights are, of course, being committed. If we want to build foreign political relations between Russia and the Baltic countries, the former republics, and other sovereign states on the level of the requirements of international law, of course we must not allow this. When it is formulating its foreign policy, Russia, and first and foremost the Foreign Ministry and other departments, should of course defend national interests and not be afraid to do so.

[Correspondent] To what extent is the structure of the Foreign Ministry in accord with today's political realities?

[Medvedev] That is a very pertinent question. Yes, indeed. As far as our approach to foreign policy is concerned, that has been worked out in the Foreign Ministry; we also have a specific approach to tackling all ethnic questions within Russia. I think our foreign policy does not take this fully into account. You rightly said that priority today should be given to neighboring foreign countries, to the CIS and the Baltic republics, with which even if we wish to have totally different qualitative relations in the future, as they have been in the economic sphere, we simply do not enjoy such relations today.

But you correctly stressed a second issue, concerning the Foreign Ministry. It seems to me, and I suggested this to Foreign Minister Kozyrev, that it is necessary to change the structure of the Foreign Ministry. I think that there should be, in the Foreign Ministry, a committee for Commonwealth and neighboring country questions. This committee, or rather the chairman of this committee, should have the rank of minister. He should be first deputy foreign minister and should tackle specific issues that are a mixture of national, ethnic, foreign, political, and other issues—international norms that must be tackled in accordance with UN and CSCE precepts.

[Correspondent] Thank you. I wish you success.

[Medvedev] Thank you.

International Affairs

Further on Kravchuk-Yeltsin Black Sea Talks

LD0408120592 Kiev Ukrayinske Radio First Program Network in Russian 0900 GMT 4 Aug 92

[Text] In the village of Mukhalatka near Yalta yesterday the meeting ended between the presidents of Russia and Ukraine. A joint communique was adopted.

In the communique Boris Yeltsin and Leonid Kravchuk confirmed their resolve to build relations between Russia and Ukraine as friendly states. They agreed on the main questions of principle of a Russian-Ukrainian agreement on friendship, cooperation, and partnership. Both sides stressed the importance of carrying out all accords reached in Dagomys and the adoption of energetic measures for the comprehensive development of Russian-Ukrainian relations. Here the priority will be given to the development of mutually advantageous economic cooperation.

An agreement was adopted on the Black Sea Fleet. The main provision of the agreement is that the fleet will be removed from subordination to the joint command of the CIS. From now on, joint control of the fleet will be assumed by both Russia and Ukraine. All decisions will be made at the level of presidents. For a full solution of the question of dividing the fleet a three-year transitional period has been declared up to and including 1994.

The presidents [word indistinct] to continue cooperation also in solving other conflict situations, the creation of reliable mechanisms for their peaceful political solution within the framework of the CIS. The president of Ukraine supported the efforts of Russia and Moldova for a speedy settlement of the Dniester armed conflict.

During their meeting the ministers of foreign affairs of Russia, Andrey Kozyrev, and of Ukraine, Anatoliy Zlenko, signed an agreement between the governments of the two states on implementing the right to property abroad of the former Soviet Union for diplomatic, consular, and commercial missions in addition to a memorandum on mutual understanding on issues of consular relations between Russia and Ukraine.

Participants in the meeting, relying on the feelings of brotherhood and friendship between the peoples of Russia and Ukraine, reached agreement on taking measures to promote the development of their parliamentary links, broad intercourse between public organizations and citizens of the two states in the political, economic, and cultural spheres, for strengthening trust, accord, and cooperation.

The meeting passed in a friendly and constructive atmosphere.

Economic Cooperation Accord Signed With Latvia

LD0508034392 Moscow ITAR-TASS in English 2052 GMT 4 Aug 92

[By UKRINFORM correspondent Aleksey Trotsenko for TASS]

[Text] Kiev August 5 TASS—Latvian Prime Minister Ivars Godmanis paid a working visit to Kiev at the invitation of the Ukrainian Government on Tuesday [4 August]. He was received by Ukrainian Prime Minister Vitold Fokin. The talk focused on a wide range of issues of bilateral relations. Both sides emphasised the desire to strengthen and deepen traditionally friendly ties and mutually beneficial cooperation.

At the meeting that involved representatives of the two countries' governments, participants put emphasis on relations with the Commonwealth member-states and the world community. They discussed the implementation of large-scale economic reforms, the transition to a market economy and measures for the social protection of the population.

As a result of the talks, the sides signed an agreement on the development of trade and economic cooperation between the governments of Ukraine and the Latvian Republic.

"Ukraine holds a very important place among our foreign partners," Godmanis said. "During this visit, we had an opportunity to clarify important issues concerning our present ties as well as map up prospects for their development."

The sides expressed the intention to begin drafting a treaty on the basic principles governing the relationships between Ukraine and the Latvian Republic and also other inter-governmental documents to boost mutually advantageous cooperation in all areas of mutual interest.

Plyushch Receives Iranian Delegation

LD3107201992 Kiev Ukrayinske Radio First Program Network in Ukrainian 1400 GMT 27 Jul 92

[Excerpt] Ivan Plyushch, head of the Supreme Soviet of Ukraine, received a government delegation today from Islamic Republic of Iran. It is staying in Kiev in connection with an exhibition entitled "Iranian Export Goods" which opened in the Ukraine capital last week. During a friendly and sincere conversation, the guests, the majority of whom are deputies of the Iranian parliament, were briefed on the role of the Supreme Soviet of Ukraine in carrying out political and economic reforms in our country and its legislative activities.

The main attention during the meeting was paid to cooperation between our two states. It is very important for us, Ivan Plyushch said, that we now have a number of agreements with Iran according to which we will receive oil and gas in the future. Javad Angazi, head of the delegation and a member of the presidium of the Iranian

parliament, said in reply that a visit by the Iranian oil minister is envisaged in the immediate future. He intends to sign additional documents which will assist the successful implementation of previously signed agreements.

A visit to Ukraine, he continued, by Ali 'Akbar Hashemi-Rafsanjani, president of the Islamic Republic of Iran, is also planned.

The sides highly appraised the "Iranian Export Goods" exhibition. As was stressed at the meeting, it will undoubtably assist in defining new forms of export and import deliveries.

The members of the delegation said that at the Iranian parliament a number of friendship societies with other countries have been created. Now, at the suggestion of the parliamentarians of the town of (?Tabriz), the proposal to create such a parliamentary friendship association with Ukraine, which will help develop interparliamentary ties more successfully, is being submitted.

(Satimekhem Yeisk Khmayun), the only woman in the delegation, suggested arranging direct relations with women deputies of the Ukrainian parliament. [passage omitted: Plyushch accepts invitation to visit the Iranian parliament]

Plyushch Views Relations With Russia, CIS

92UN1832A Kiev PRAVDA UKRAINY in Russian 18 Jul 92 pp 1, 2

[Interview with I.S. Plyushch, chairman of the Supreme Soviet of Ukraine, by unidentified KYODO correspondent; place and date not given: "'Ukraine Is Building its Own National Economy'"]

[Text] **I.S. Plyushch, chairman of the Supreme Soviet of Ukraine, recently granted an interview to a correspondent of the Japanese KYODO News Service. We offer it our readers with certain abridgments which do not alter the meaning of the material.**

[KYODO] The CIS has been in existence for more than six months now, but it was at the meeting of the two presidents in Dagomys that Russian-Ukrainian relations enjoyed a considerable improvement. One has the impression that the meetings of the heads of state within the framework of the CIS had not contributed to this to the proper extent. How do you evaluate the results of the meeting in Dagomys and also the significance of the CIS for Ukraine and the significance of Ukraine's bilateral relations with Russia?

[Plyushch] I have to tell you candidly that when the CIS was formed, the Ukraine had its own position, which it had been setting forth earlier also—throughout the past two years. Following the adoption in June 1990 of the Declaration on State Sovereignty, Ukraine did not officially say anywhere that it would not participate in the formation of the Commonwealth of Independent States. Moreover, it was a sponsor and cofounder of the CIS.

However, different states understood this commonwealth differently. Nor is there a single opinion today either. From the first day of its joining the Commonwealth, Ukraine has declared that it will build its own national economy, form its own financial-credit and banking system, and introduce a national currency. This, by no means signifies that Ukraine wants to sever the economic relations that have taken shape between the states which were formerly a part of the USSR.

As is known, Russia proclaimed to the world that it had become the successor of the former Soviet Union on all issues. It proclaimed this without coordinating this position with the CIS. Ukraine did not lodge a protest, for it believes that Russia had every reason for such a position. Ukraine merely stated that it also has the same rights. This is the first point.

Second, beginning this January, Ukraine began to form its own armed forces. It did not refuse to participate in the formation of a joint strategic deterrent force here. However, it was essentially a force with a dual purpose. On the one hand it performed the functions of the army of Russia, and on the other, the functions of a joint strategic force. Its status and hence, its command and control and manning, along with a number of other questions, also were not clearly defined.

The next problem is of an economic nature. Ukraine said 18 months ago (and continues to adhere to this position today) that it was prepared to be the successor of the external debt of the former Union and was prepared to study any procedure of the determination of Ukraine's share of this debt. However, it also stated its right to obtain the same proportion of the assets as well, that is, the debt to the former Union. What is more, it would be desirable for these proportions to be targeted and specific. In addition, Ukraine said that it should obtain the same proportion of the assets outside the former Union.

Neither of these questions have found a logical solution as yet, nor is a mechanism for their solution in the CIS even being created. If things go on this way, when even agreements which have been adopted are frequently not being observed, this could lead to the disintegration of the Commonwealth. I would note, incidentally, that Russia is availing itself of objective conditions in its own interests, being today a monopolist in the printing of money and, hence, the sole state which has the right to issue it. Let us be frank, it has attempted to put pressure on Ukraine economically in order to render it insolvent, and it has succeeded here to some extent. However, what has been overlooked here is the fact that measures of economic pressure on Ukraine will have identical consequences for both Ukraine and for Russia as well, only with a difference in time. If Ukraine is today strangled by an economic blockade, tomorrow Russia will be blockaded also, for economic relations are two-sided.

It would not be valid, I believe, to think that the leaders of the two states went to Dagomys and all of a sudden quickly reached agreement on many issues. The Dagomys meeting had been preceded by six months' work on the current problems. As the result of the accumulation of a particular quantity and quality, a qualitatively new solution was found. That is, the parties reached agreement to the effect that relations between them should be built in greater depth, and on the basis of international standards and rules, what is more, not from the position of some Union structures of the past.

The agreement reached in Dagomys could be seen as a statement of intent. However, the atmosphere which reigned there, I can speak about this, enables us to believe that this was even more than a statement of intent. A first step toward making the statement of intent a reality was taken. However, this has been achieved as yet only at the highest level, and it is necessary that it be achieved at the middle and lower levels as well.

[KYODO] The economic, political, and military problems that have arisen between Russia and Ukraine of late were evidently to have been resolved within the framework of the CIS also. However, as is known, President Kravchuk did not attend the meeting in Tashkent. Yet Ukrainian-Russian relations enjoyed considerable development at the bilateral meeting in Dagomys. Does this mean that top-level meetings within the framework of the CIS have altogether lost their meaning and significance?

[Plyushch] No, it does not, and I will tell you why. After Tashkent, for example, Russia not only declared its intention to have its own armed forces, but also embarked on their formation. As you know, a defense minister of Russia—General Grachev—has already been appointed. This is a qualitatively new reality, a new situation. When both Russia and Ukraine have their own armed forces, there is already the prerequisite for the creation in neither army of a system of a strategic defensive nature, a system of strategic nuclear deterrence. First, these are very costly systems, and it would be inexpedient to waste resources on their creation, and, second, account needs to be taken of Ukraine's status as a nuclear-free, nonbloc state.

In other words, there are now practicable opportunities for defining positions in regards to the functions and structure of the joint strategic deterrent force. Ukraine will not sign the Tashkent agreement since it has no wish to unite in any blocs. However, with its nuclear subunits it is prepared to join a joint strategic force. Its status, in our opinion, should be as follows. Forces stationed on our territory belong to Ukraine and take an oath to it, but in operational control they are subordinate to the command of the joint strategic force.

[KYODO] Might what you have said apply to the Black Sea Fleet as well?

[Plyushch] A very material accord was reached on the Black Sea Fleet in Dagomys. Previously, Russia had considered it a fleet of the CIS. It was agreed in Dagomys that both Russia and Ukraine will maintain their naval forces there. How to divide up the fleet is a technical question.

I would ask you, incidentally, to reflect in your material and convey to the readers of Japan one very essential detail. I have recently met with dozens of representatives of various states—members of parliament, statesmen, and public figures and business people. I have explained to all of them that when the Seven and the Twelve or the leaders of individual states say that they are studying questions of aid to the CIS, this is a fruitless occupation. Time is merely being wasted to no purpose, in vain. You cannot help a nonexistent state. How, generally, is it possible to cooperate to mutual benefit and productively with a nonexistent state?

I will say frankly that I am surprised that even experienced politicians and leaders of developed countries have adhered to this opinion. I believe that initially they did not believe that the creation in the place of the former Union of independent states was a serious business, and they tried, in every possible way, to do business with the CIS as some unified state. As a result, we lost six months. They are now convinced that all this is real and serious, and there was a different solution to these questions at the meeting of the Seven. It will be a further six months more, perhaps, before practical steps will be taken. Whom does this benefit?

If people think that the success of the democratic transformations in the countries of the former Soviet Union are a matter for these countries alone, they are profoundly mistaken. I recently returned from Rio de Janeiro, where the leaders of 178 countries had been taking part in the UN Conference on the Environment and Development. Those who spoke at the conference broached seven different problems, but one common thought imbued many speeches. The speakers recalled that there had been a similar forum 20 years ago, in 1972. Serious documents were adopted at that time, but the situation concerning protection of the environment has only become worse in this time. There has been talk for 20 years on saving the environment and man, but in fact trillions have been spent on arms in order to destroy both nature and man. Now the international situation is different. For the first time the possibility has appeared of undertaking conversion in practice and, having released the colossal resources invested in the military-industrial complex and channeling them into the latest technology with which it is possible not only to provide the world's population with essential foodstuffs and goods, but also to rescue nature. I am sure that an extensive market will open for Japan, which has excellent, advanced technology.

This, however, will happen only if democratic processes in the countries of the former Union win out conclusively. If, however, God forbid, they fail, which I do not believe, a new leader will emerge who will declare: I'll show you a thing or two. The brakes might then be applied to the processes connected with disarmament. Consequently, the democratic transformations in the

states of the former USSR are in the interests of many states of the world. In rendering us this assistance or the other, they would be acting to the benefit, not the detriment, of their own peoples.

As far as Ukraine is concerned, it does not need any handouts. Our people need humanitarian assistance only to eliminate the consequences of the Chernobyl catastrophe. Chernobyl is a global problem of world significance. All states, the developed states primarily, which have nuclear power, are learning lessons from Chernobyl. It would be unjust if the people of Ukraine alone had to pay for this bitter experience. Such a burden is currently beyond them. As for the rest, Ukraine invites everyone for mutually beneficial, equal partnership and cooperation.

[KYODO] In what way will Ukraine participate in the CIS and of what significance will the CIS be for Ukraine?

[Plyushch] I have already partially answered this question, but I would like to add one further point. Ukraine will participate in the CIS for a civilized divorce, as they say. It is necessary to break off relations in order to unite: this is a known expression. So when Ukraine has, in civilized fashion, finally formed all the institutions of statehood, it will then need to integrate its production primarily with its neighbors—Russia, Byelarus, and other states of the former Union. However, at the same time we will endeavor to integrate the economy with many countries, including Japan. We are thinking of opening in the future, incidentally, in Maritime or Khabarovsk Krays, in agreement with Russia, some mixed office in order that we might be closer to Japan. We need first and foremost, of course, to exchange with Japan diplomatic missions and to open an embassy in Tokyo. The Japanese will be interested in helping here, I hope.

[KYODO] Although the problems of the so-called northern territories—the islands of the Lesser Kuril chain—are of direct concern to Russia, how do you assess the possibility of their solution?

[Plyushch] I believe that these questions should be decided at the interstate level between Russia and Japan.

[KYODO] I have heard that the Supreme Soviet of Ukraine has discussed the draft of a new constitution. Could you not briefly describe its basic points?

[Plyushch] Indeed, the Supreme Soviet session has examined the question of the draft new constitution. It has been decided to submit it for general discussion. Work on the constitution will have taken two years. The constitutions of many states—with presidential, parliamentary, and other forms of government—have been studied here. However, from the very outset, we were sure that this should be a Ukrainian constitution, not a copy of the constitution of some other state such as France, the United States, or Japan, although, of course, taking into account the experience accumulated in Europe and the world. To what extent we have succeeded, it is too early yet to tell. I can only say that the experts from East and West Europe and America, whom we invited to familiarize themselves with the draft, have given it good marks.

I would like to draw your attention to one point. Ukraine will not have a purely presidential or parliamentary form of government. It will have a combination, but with the precise delineation of the three powers—legislative, executive, and judicial.

[KYODO] May it be said that this is the American model to some extent?

[Plyushch] Much has been taken from the American Constitution. We have great respect for the Constitution of the United States. It has been verified by time and a democratic society, and it afforded an opportunity for the creation of this democratic society.

We still have a great deal of work to do on the constitution. Its draft will be published in the press. We will return to it in the fall, at the Supreme Soviet's Sixth Session.

Guards Continue Arrests in Border Protection

LD0108022292 Kiev Ukrayinske Telebachennya Television Network in Ukrainian 1800 GMT 31 Jul 92

[Text] The border guards are successfully carrying out the president's decree on border protection: the facts substantiate this. Colonel General Valeriy Hubenko, commander of the Frontier Troops of Ukraine, said the special regime zone is under reliable control. Hubenko told this to the service council of commanders of units and formations from the Southern sector.

Today the press service of the Frontier Troops reported details of work that has been carried out for Novyny TV and Radio Agency. On the section of the border with the Republic of Moldova, almost 2,000 border trespassers have been arrested since March. Most of these people are Romanian citizens. Attempts by ten armed groups to cross the border in Pridnestrovye were liquidated. Weapons taken during the attempt to cross the border include: 10,000 sub machine guns, grenade launchers, 150 hand grenades, and several silent weapons. In addition, several illegal shipments of foodstuffs, manufactured goods, and raw materials—including strategic ones—were confiscated.

China Plans To Purchase Aircraft Carrier

LD0508041192 Moscow ITAR-TASS in English 1616 GMT 4 Aug 92

[By ITAR-TASS correspondent Vyacheslav Bartin]

[Text] Tokyo August 4 TASS—China has finally decided to purchase the aircraft carrying cruiser Varyag the construction of which stalled in Ukrainian shipyards because of lack of money. Negotiations to this effect between Beijing and Kiev have virtually been completed, and the implementation of the project will probably be officially announced shortly, the Japanese newspaper

SANKEI SHIMBUN reported on Tuesday [4 August] with a reference to military sources in Moscow.

A number of Asia-Pacific countries have been deeply concerned of late over the manifestation of the signs of China's building up its military might. The Chinese build-up is confirmed by the plan to purchase the Varyag cruiser. SANKEI SHIMBUN writes that Beijing's move is obviously aimed at aerial control of at least the South China Sea, which will lead to still greater anxiety of neighbouring countries.

Japan's Defence Agency is also "seriously concerned" over the move. It is now urgently investigating all the circumstances of Beijing's project. The newspaper quotes an official of Japan's National Defence Agency whose name has not been given. He confirmed the information received by Japanese reporters.

Meanwhile, the Defence Agency doubts that China can afford buying an aircraft carrying cruiser. Japanese experts estimated that at least 500 million dollars are needed to complete the Varyag construction and that the ship will cost no less than 2.4 billion dollars. Moreover, the Defence Agency notes that china so far has no opportunities to operate the cruiser effectively. It will take at least ten years to provide these opportunities. Even if China buys the Varyag, it will have to keep it in the harbour for a long time.

Russian Pacific Navy officers appealed on Monday to the Russian and Ukrainian presidents to decide the destiny of the Varyag.

In a telegramme signed by Rear Admiral Igor Khmelnov the navymen state that the unilateral Ukrainian decision to stop financing the construction of the cruiser was an erroneous one. The Varyag should be preserved for history and the Navy. It is important for the two Slavic peoples, the telegramme notes.

The old Varyag cruiser became famous during the 1904-1905 Russo-Japanese war. It had a heroic fight with an overwhelming Japanese force in which 122 crew members were killed and wounded. To prevent the Japanese from seizing the Varyag, its commander ordered the ship to be sunk.

National Affairs

New Vice Premier Simonenko Interviewed

PM0508100992 Moscow KOMSOMOLSKAYA PRAVDA in Russian 22 Jul 92 p1

[Interview with V. Simonenko, newly appointed Ukrainian first vice premier, by A. Milkus in Odessa; date not given: "So Men of Sense Do Not Go Up In the World?"]

[Text] Ukraine's new first vice premier, V. Simonenko, is 51 years old. He trained as a construction engineer. He worked his way up the economic ladder, from foreman to director of a large combine. Moreover, he was only 29 when he reached managerial level. Then he became second secretary of the Odessa City Party Committee and chairman of the City Soviet Executive Committee. In addition, he has won the respect of the people of Odessa. First, as the first mayor in Odessa history; second, as someone who has done his utmost to try to restore the city to its former glory; and third, as a man who has fought to create a free economic zone.

In business circles, Simonenko has the reputation of being direct, plain-speaking, and unafraid of the authorities. Many remember an episode which took place last winter at a Ukrainian parliamentary session. Simonenko kept criticizing Fokin's government for the lack of coordination between various laws and the absence of any mechanism to put them into effect. He obviously got under the prime minister's skin to such an extent that the latter was really offended and even complained about him to journalists. Now they are part of the same team.

In Simonenko's old office, where he worked as presidential representative for Odessa Oblast, there hangs a color photograph of Snowy Victory Peak instead of the usual portraits of Brezhnev, then Gorbachev, and now Kravchuk.

"Do you know why I have hung it right in front of me like that?" Simonenko asked. "I have been to the top of that mountain. Now it is like a reminder that getting there was easier than working here."

However, Simonenko's experience of mountain ascents has helped him—a top mountaineer, incidentally—to climb the career ladder fairly quickly here on the plain.

[Milkus] Valentin Konstantinovich, your appointment was made so swiftly that it has taken many unawares. Especially as the man appointed to this important post is someone who has always made a point of speaking exclusively in Russian at all parliamentary sessions.

[Simonenko] To be honest, I myself had not expected it to happen so quickly. Six weeks ago, I had a discussion with Leonid Makarovich Kravchuk and Vitold Pavlovich Fokin on how to "nudge" the reforms along. I expressed the view that there has been enough theory and now we must get down to practical work. A thick layer of laws, presidential decrees, and Cabinet of Ministers instructions has formed at upper levels. There simply is not time to read them all. However, down below, where these laws should be put into effect, all is quiet as before.

[Milkus] The decree on your appointment was published the same day as a decree on the removal of another vice premier, Minister of the Economy V. Lanovoy. These two events are connected, of course. Not long ago, Lanovoy said that the implementation of reforms in Ukraine is nothing more than camouflage. Your appearance in Kiev is seen as Kravchuk choosing someone more obliging to work with....

[Simonenko] I am not biassed against Lanovoy. He is a likable man. However, to be honest, I cannot remember

him ever speaking the truth boldly. Just as I cannot remember the principled actions which led the press to give him the title of reformer. We have more than enough theoreticians at present....

[Milkus] At least when Lanovoy took up his post as minister of the economy he had some kind of reform program. Do you have any such program?

[Simonenko] Nowadays everyone criticizes the government. The government criticizes parliament. Parliament criticizes the president, and the president criticizes the government. This creates a vicious circle giving rise to collective irresponsibility. As a Ukrainian Supreme Soviet deputy, I have voted four times for the reform program put forward by the government, but has anything been done to link all these government and Supreme Soviet proposals into a single whole? No. Putting forward another program would simply be a waste of time. That is why something else is needed: a clear plan of action to implement existing plans. It sounds rather odd, but that is my priority task.

A presidential decree on commercializing trade was issued in January. It expires in July. It is time to ask how commercialization carried out so far has softened the blow of rocketing prices. That has not been done, much like a lot of other things.

We have a situation where every structure works solely for its own benefit. Our renowned Black Sea Shipping Company should bring the state hundreds of millions in profit, but essentially it works only for itself. The same is true of the defense industry. Who is going to work for the reforms?

[Milkus] Valentin Konstantinovich, REUTERS recently reported that you reject foreign credits and intend to revive the Ukrainian economy with its own resources.

[Simonenko] Ukraine has enormous potential—natural, human, and economic. Even though it has fallen behind to the extent that it has, it is still a major industrial power. Now we need help. Not the kind of help you give to a beggar standing in the church porch, but to someone who has fallen into difficulties but still has masses of vitality left. There must be mutually advantageous cooperation. It will not only make Ukraine rich, but its partners as well. Take a look at Odessa. We have more private stores and commercial banks than anywhere else. That was my policy when I was head of the city and when I was presidential representative.

[Milkus] Excuse me, but Odessa's prices are among the highest in Ukraine....

[Simonenko] However, its wages are high too. Price levels must not be regulated. All we can do is give people the opportunity to earn money.

[Milkus] How do you regard the future of Ukrainian-Russian economic relations? Many Russian enterprises and organizations try to avoid doing business with Ukraine: Financial transactions have become very difficult.

[Simonenko] Your question has been answered by the meeting in Dagomys. Russia is a close neighbor, so our relations must be of the closest. To say nothing of economic integration. What you are seeing in our relations at the moment is nothing more than teething pains.

IZVESTIYA Interview

92UN1850A Moscow IZVESTIYA in Russian 30 Jul 92 Morning Edition p 3

[Interview with Valentin Simonenko, first vice premier of Ukraine, by Leonid Kapelyushnyy; place and date not given: "The New Vice Premier Promises a Cardinal Change in the Situation in Ukraine Within Two or Three Months"]

[Text] **No appointment of recent years in Ukraine has elicited as much press attention as the confirmation of Valentin Simonenko as first vice premier, and attention is putting it mildly. Simonenko had not crossed the threshold of his new office before his name was being linked with a possible change in the direction of the old, command-administrative methods of government.**

It would not be wholly without interest, I believe, to know in whose hands the fate of the reforms in Ukraine now rests. Valentin Simonenko is 52 years old and is a construction engineer with experience of production activity. He belongs, by nature and temperament, 100 percent to the type of Odessa people known to the world from Babel, Paustovskiy, and Katayev. He was working in the lower echelons of the party authorities which studied economics in earnest. The party, however, appointed him chairman of the city soviet, and he become the first Odessa-born mayor in the city's 200-year history. Valentin Simonenko's partocratic past was crowned, as with a laurel wreath, by 22 party reprimands. Shots of mountain peaks—the most memorable climbs of Simonenko, master of sport in mountaineering—hung in the city soviet office, in which light was always shining from the windows until 10 in the evening. It is said that his character has changed little since those days....

[Kapelyushnyy] Valentin Konstantinovich, I have familiarized myself with the accounts of the Ministry of Statistics for the first six months. It is an appalling picture. The economy has fallen apart. There is no sector in which production has not fallen to levels beyond which its death throes begin. We can put up with, endure, and suffer a reduction in consumer goods—we will go about in old, patched-up clothes and make do without home electronics and appliances. However, the raw material sectors of industry are collapsing! The production of meat, meat and dairy items and products, flour, butter, and baby foods is declining everywhere. You (the government) had us (the people) believe that the so-called price liberalization would inevitably stir the interest of the producers, you said: Have patience for a while, and market abundance will come. However, while we have been showing patience, you have done nothing to arrest the impoverishment of the people. In June commodity turnover in Ukraine was R69.8 billion lower than in May, while 88 percent was obtained from the

increase in prices. What is more, productivity has fallen 9.8 percent since the start of the year. It is no secret that the failures in the economy will inevitably be reflected in the social spheres. Today, even we are having to shout, not about the deterioration in the quality of life, but rather, the decline in the quality of the nation. How and why has this happened? What do you intend doing?

[Simonenko] It is truly a bleak picture. It would be to my advantage to argue about who is guilty and why, and thereby dissociate myself from the mistakes and blunders made not by me and not on my watch. Let us be honest—everyone is to blame. Parliament, which has not adopted the most important bills for years, is to blame. The cabinet, which simply has not made up its mind to implement radical reforms while belatedly, has frequently copied the actions of Russia, and therefore, is to blame. We have been charged a great deal, not only by the inherited "birthmarks of socialism", but also though our own mistakes. Some are so appreciable that I am forced to name them. Unless we put things right at once, the talk about reform and abrupt change will remain idle.

It is essential, first and foremost, to restore the economic relations which existed on the territory of the former USSR and CEMA. This is a global task, the accomplishment of which will require a whole set of measures and activities.

The formation of the statehood of Ukraine is being accompanied by the demolition of the old economic mechanism and the disintegration of the credit and financial system. In exchange, we are creating seemingly newer and better mechanism toward the market then the slogans of free enterprise and orientation. However, while proceeding from objective circumstances and harsh realities, we are allowing such "adjustments to reality" that the new economic conditions are proving, compared with the socialist economy, pure hell. It is sufficient to take national taxation, in which we have gone "our own way." World experience shows that entrepreneurial activity is stimulated until the sum total of all forms of taxes exceeds one-third of earnings.

We crossed this threshold more unthinkingly than uncaringly, without taking the trouble of an in-depth analysis of the possible consequences. Today the income tax of 75 percent in commercial-brokerage activity is unprecedented in the world. The exchanges, auctions, brokers' offices, and trading-brokerage cooperatives, which under the conditions of the breakdown of the reserve-distribution system have become the new circulatory system of the economy, are being forced to either wind down their activity or.... I assure you that those who go into business are not such simpletons as to unquestioningly give up the lion's share of their earnings. They will find a hundred ways to circumvent the law. Or, even more simply—they will cross the transparent borders into Russia, the Baltic countries, or Armenia, where the tax rates are two or three times lower. There is currently a colossal outflow of national capital into neighboring states and the shadow economy. The cooperative sector of the economy has been practically destroyed. The uncontrolled growth of wages has brought the financial system its knees.

It has been stated regretfully stated that we were cruelly mistaken in restricting use of the ruble in Ukraine. The coupon has simply remained "conditional money," and its prestige is declining by the day. The street money-changers are giving R60-70 for 100 coupons. Were we to introduce the hryvnya, God forbid, on the wave of the slump in the economy, the national currency would be discredited from the outset. In other words, we have to remove the clot in the credit and financial system, equalize the status of the coupon and the ruble, release the coupon into the realm of noncash payments, and finally, bring order to bear in the savings and use of currency resources....

[Kapelyushnyy] Valentin Konstantinovich, is it true that the Government of Ukraine has $8 million today?

[Simonenko] The government, yes, but not Ukraine. I remember that there were approximately $13 million on the books of the Odessa City Soviet Executive Committee. However, I realize that such currency possibilities of the government of a very wealthy country will cause nothing but smiles, but this also is real life. The bill on a mechanism of currency regulation has been leisurely read and discussed and postponed for more than a year. It is now time to say that the crisis of the economy is, to a considerable extent, a consequence of the crisis of power. The Supreme Soviet and the government have been unable to provide for compliance with the laws and have not known how to support the radical reforms with legislative instruments. Reality and the power structures have been proceeding on parallel courses, as it were. Recognition and exaltation of the market economy have not been accompanied by practical steps in support of enterprise, antitrust regulation, and privatization. The time frame scheduled by the president of Ukraine for the commercialization of trade and public catering is now running out. I am looking at a document which I have inherited in this connection in which terminology like "make provision for, devise, draw up measures, submit a proposal" and such is predominant....

Evidently we had to go through the stage of liberal-romantic dreaming about the market economy and give a decisive farewell to the past. We have taken revolutionary programs, which are a free transposition of economics textbooks of Western authors, as prophetic revelations. We were brilliantly taught what has to be done. No less important, it transpires, however, is also to know how to implement the most remarkable programs. In other words, it is now the turn of the pragmatic stage of the reforms and strict implementation of the programs and plans.

[Kapelyushnyy] Generally, the following observation: When not a "capital entity" is invited to high office in the cabinet of the capital but a person from the periphery, "from reality," so to speak, the time has

come, consequently, not to enjoy power but to rescue this power. Are you not afraid that the system will "manipulate" you as it did your predecessor? What is meant by pragmatic and strict? Your opponents are awaiting from you, a program, a statement as to the political forces on which you will rely....

[Simonenko] I am familiar with the proposition concerning man's dependence upon the system. However, a person always strives exactly to the extent which he himself desires. I accepted the offer to head the reform headquarters in Ukraine, but not because I worship our ministerial cabinet and not because I have created with much effort some particular program of mine. However, as chairman of a soviet executive committee and head of the oblast administration, I have distinctly seen the flaws of the reform policy and the actual situation which has been taking shape from the provincial distance. The tragedy is that each program (and several have been adopted) exists independently. Imagine a clock mechanism whose gear wheel is continually revolving and ticking, but to no avail, there is no hand. In our case things are even more complicated.

The transition to market relations, and I want to tell the world that there will be no other way in Ukraine, must be combined with strict measures to stabilize the economy. These measures cannot be implemented without strict discipline and administrative measures. Here my opponents may howl with delight—the new vice premier is intending to combine the uncombinable: liberalization of the economy with draconian discipline. Unfortunately, nothing will result otherwise. We are talking today about impending starvation, and this anxiety is our shame. Without the discipline of the rod, without now the orders of the rayon party committees when to sow or mow, our peasantry is forcing the country to purchase grain from overseas. This year's harvest has used some 545,000 hectares fewer than in previous harvests. Just think: half a million hectares of the world's best land are being overgrown with weeds, and we are talking about starvation. We are talking about harvest losses ahead of time, as of a fatal inevitability....

[Kapelyushnyy] Yes, but any kolkhoz chairman will now give you a hundred reasons both why the land is not being plowed and the grain is being lost. My good friend Vasil Gnatovich Plyushch, chairman of a kolkhoz in Kirovograd Oblast, this year left for the free spontaneity of the market. Rejoice and roll in money with today's food prices, it might have seemed. However, he is barely making ends meet and is being driven into a corner from all sides. So he will hardly be bashful about grain purchased overseas. The dutiful chairmen, the more so, their farms are being fleeced....

[Simonenko] We have come to a very important point in the discussion. However, someone has to be to blame for this practice? Here also, I assure you, the old communist lack of responsibility reigns. Instead of the old, inadequate administrative system of management, we have created a similarly inadequate new one. Ukraine's economy is being administered today by each in his own area, 90 ministries and committees—this number is higher than in the former USSR. They administer 94 percent of state-owned property. Neither the cabinet nor, even more, the Ministry of Economy, which is intended to be the conductor of the reforms, has essentially, a real mechanism of control of this, if you'll excuse me, monster. We are currently working on devising it, realizing that we have been allotted not months and years, but days and nights. It is essentially a question of rescuing not power, but a state which has embarked on the path of democratic development....

[Kapelyushnyy] I am afraid of hearing from you that we will first save sovereign Ukraine and then concern ourselves with its citizens. In other words, will the people not have to pay for the mistakes of the politicians, for their incompetence? Do you see an actual time frame of the fulfillment of this program? As is clear from the interview, there still is such.

[Simonenko] The priority of the individual over the state is for me, beyond question. Provision will be made for measures pertaining to the social protection of society upon entry into the market. Although, to be honest, I believe that we are primitivizing somewhat, the very concept of social protection. Retirees, children, students and schoolchildren, the handicapped, doctors and teachers, people working in research and culture—a wide range—are in need of it. However, from whom and from what should young healthy boys and girls selling goods from second-hand dealers throughout the country be protected? Representatives of our trade unions were here literally several hours ago—the miners need protection. Against what? Against the market.... Expenditure on wages currently constitutes approximately 80 percent of the prime cost of a tonne of coal. The miners' productivity is 8-12 times below that in the industrially developed countries. Therefore, the question of subsidies for the retooling of the mines should and needs to be raised. However, giving in to extortion for an increase in pay would be imprudent.

The main protection for the individual upon entry into the market is to afford him an opportunity to earn in accordance with his capabilities, mind, and talent. It is essential here, naturally, to call an end to the arbitrary action in pricing. The monopolists are jacking up prices in keeping with their notions of honor and advantage, by which they are erecting insurmountable obstacles in the way of the reforms.

If we compare world prices with ours, taking as the unit of comparison goods of the most significance for economic stability—grain, sugar, sunflower—it is easy to see what the problem is. The prices of gasoline, cement, steel, and coal are overstated by a factor of 2-2.5. The prices of milk, sunflower, grain, fruit and berry crops, and electric power are understated by a factor of 2- 2.5. In any event, commodities of the first group are abnormally expensive compared with the commodities of the second group. It turns out that it is more profitable to

purchase coal and steel overseas, and export agricultural produce. In any event, raising the price of coal, steel, or cement any higher is impossible.

The market and market relations are a subtle and complex mechanism. It does not tolerate coercion but cannot stand unmanageability either. You have just mentioned a chairman of a kolkhoz, who went on "free sail" and is suffering a calamity. Yet who should be his assistant on this voyage? The state! It is we who should, on the strength of the government, contract be giving him energy resources, spares, and materials. There should be such relations with all producers. The possibilities of the state are not boundless, its resources are not a bottomless barrel. We are currently shouting from the rooftops—there is no fuel, and truly, there is a shortage. Strangely, however, agriculture, health care, and the municipal employees are short of fuel. The leader of our State Committee for the Supply of Petroleum Products came to see me. I inquired how much gasoline was needed to cover the needs of the vitally important sectors. He did not know. He supplies Ukraine "in general"....

I believe that we have every opportunity for cardinally changing the situation in Ukraine within two or three months, provided that we want changes. They cannot be the former half-measures. The state must keep within its jurisdiction and its ownership only what can be supported from the budget. In the process of the radical reforms, privatization, and commercialization, the budget deficit should, like shagreen leather, shrink with every step, every legislative instrument.

With every day that we delay, incidentally, our chances of success are shrinking like shagreen leather. When it disappears altogether, we will have no one to blame but ourselves.

Deputy Meshcheryakov Views Forces in Parliament

92UN1830A Moscow ROSSIYSKAYA GAZETA in Russian 25 Jul 92 p 7

[Interview with Ukrainian People's Deputy Valeriy Meshcheryakov by ROSSIYSKAYA GAZETA correspondent Boris Sverdlov; place and date not given: "Ukrainian Parliament: A View from Within"]

[Text] **In the opinion of Valeriy Meshcheryakov, people's deputy of Ukraine, candidate of historical sciences, and docent of Kharkov University, the Slavic world today is undergoing the second tragedy of its entire centuries-old history. The first was caused by the Tatar-Mongol invasion. Now: internecine dissension in Yugoslavia, war in the Dniester region, hundreds of thousands of Russian, Ukrainian, and Byelarusian refugees from the republics of Central Asia, the Transcaucasus....**

So it turned out that Meshcheryakov ended up in the camp of the national minority. His speeches in his native language—Russian—are causing pain to some in parliament. While knowing Ukrainian well, he decided to speak only in Russian. Perhaps, therefore—and also for the reason that he too frequently gets into discussions with defenders of absolute Ukrainian statehood—the national radicals have put him on the list of enemies of Ukrainian statehood.

Our correspondent talks with the Ukrainian parliamentarian.

[Sverdlov] What is the overall makeup of forces in the Ukrainian parliament?

[Meshcheryakov] Our parliament seems to be divided into two camps. In the first are those who are for unquestioning statehood, and in the second, those who are against an absolute position. After the August putsch, a group 239 communist deputies deserted the party to become zealous independents. I saw its deputies during the might of the Communist Party of Ukraine. They seized on every word of Gurenko, Central Committee First Secretary, and they were prepared to make mincemeat "of these democrats and nationalists." Today they are anticommunists.

There is a rather solid group of national-democrats in parliament. I sympathized with it as long as it fought against the totalitarian communist structure. Today, only the first part—"national"—remains of the national-democrats. It no longer smells of democracy. The idea of the priority of human rights is not popular with them. Like Rukh [Ukrainian People's Movement for Perestroyka], the Ukrainian Republican Party is for a break with Russia. The deputies of southeastern Ukraine and their constituents perceive all of this with pain. In Kharkov, for example, they still cannot realize that Russia is a foreign state.

A rather small group of deputies would like to see Ukraine truly democratic. However, they are not given the floor. When they are, it is done so unwillingly.

[Sverdlov] Nonetheless, Valeriy Fedorovich, why does the parliamentary majority prefer a break in relations with Russia? What is predominant here—concern about statehood or nationalism?

[Meshcheryakov] There is a whole complex of reasons here. I also am for building Ukrainian statehood. But everything should be done intelligently. After all, it is impossible to implant the expensive attributes of statehood quickly—most of all a powerful army—on an agonizing economy. It is no laughing matter to live a thousand years together! What is to be done? Try at any price to cut the umbilical cord and to insist on an iron curtain between the two states.

It is also impossible not to take self-interest into account. Many have gotten the opportunity to make their way in the world: to go abroad as an ambassador, to become a minister, a prominent official.... The idea is being forcefully declared that Ukraine is a state of a European type, that it is no smaller than Germany, and no worse than France. However, these people are in fact, guided by nationalism in the worst sense of this word. So, not long ago, Kharkov University was visited by a representative commission of the Ministry of Education. It was not

interested in the material base, the life of the students and the teachers.... The main thing that troubled it: Why the university administration and the dean's office were manned mainly by Russians.

[Sverdlov] Do these people take into account the fact that 11 million Russians live in Ukraine and that in the end they could "start to boil?" Western political scientists, for example, think that the young state should fear not Russia, but the Russians who live in Ukraine.

[Meshcheryakov] I do not think that Russians will turn out to be second-class people in Ukraine. However, if contrary to common sense, the Russian chauvinists on the one hand, and the Ukrainian nationalists on the other hand, stir up people, events in Karabakh and the Dniester region will seem to be children's pranks.

These tendencies are already being observed. In Kiev, I frequently read in the slogans of demonstrators phrases about "hungry Muscovites who fasten themselves onto Ukraine like leeches," and in Moscow I hear shouts of "spoiled khokhols [derogatory nickname for Ukrainians] living off the fat of the land." This makes me sick.

[Sverdlov] What do you think, has Dagomys eased the anti-Russian mood?

[Meshcheryakov] You see, many notice an inconsistency in Kravchuk's views. Before Dagomys there were hints of faint anti-Russian notes, although veiled, in his speeches. After that, he was for inviolable friendship with Russia. If he is saying this sincerely, then the situation can change for the better.

[Sverdlov] There is a lot of talk today about the movement New Ukraine as the main opposition force. As is known, it includes competent parliamentarians, for example, Supreme Soviet Deputy Speaker V. Grinev. What do you think about this movement?

[Meshcheryakov] There is common sense in the New Ukraine program. Its leaders understand very well that radical reforms do not get by, because many in parliament sabotage them. This is the basis of the proposal for the reelection of the Supreme Soviet ahead of time. However, New Ukraine's shortcoming is the lack of a clear political program. This is not accidental. After all, it is headed by deputies with similar convictions. On the one hand, Grinev, whose democratic views have won respect among many, and, on the other hand, Pilipchuk, who envisages a break in relations with Russia, the establishment of customs in the east and in the west, and open doors. That is why this movement has yet to prove its viability.

[Sverdlov] I have gained the impression that parliament is displaying complete unanimity in its merciless criticism of the government. Is this so?

[Meshcheryakov] You are correct in this. The government is weak. However, in my opinion, it should not be changed today for something else. Let it at least organize the harvesting of crops. Indeed, for the time being, no one sees any worthy candidates for Fokin's job. Of course, the prime minister is too complacent. For example, in a speech he promises to add 300 coupons to the salaries of the poor. Everyone yelled: It is too little, give 500, and he agreed. Naturally, the question arises, where is the study, the analysis?

However, the unanimity that you noticed, has a contradictory feature. For example, I come out on the rostrum and I criticize the government for the break in relations with Russia. Immediately after, a deputy from Lvov Oblast calls the Cabinet of Ministers pro-Moscow, obeying Yeltsin and Gaydar.

[Sverdlov] It seems that we have hit upon a sore subject: the opposition in parliament of those deputies of the west and the southeast. Can this confrontation not go on forever?

[Meshcheryakov] It will last until Ukraine becomes a land-federated state. The west accuses the east that it feeds it. In turn, the east accuses the west that without its implements of production, the land cannot be tilled with a hoe. There is a reason for this. The eastern industrial zone has the lion's share of income, which vanishes in redistribution. It is clear, however, that we are fleecing the east. Its inhabitants, therefore, do not see any particular difference between the former Moscow empire and today's Kiev empire. So, let us give an opportunity to the Kharkov, Dnepropetrovsk oblasts, and the Donbass, to use their income as they see fit, transfer taxes to the center, but not exorbitant taxes. Then the east will have a chance with its own hard-earned money to acquire the same wheat in Ivano-Frankovsk Oblast, and from the west, products and raw materials in Lugansk Oblast. Each region will start to live as it deserves.

....Nevertheless, I would be acting against my conscience, if I were to say that parliament has become far from what it was two years ago. The dynamics are evident.

Take the Crimean problem. Our parliament simply thrashed the first variant about the division of powers between the autonomy and Ukraine that was submitted by the Supreme Soviet of Crimea. They said, many Crimeans wanted freedom. However, when as a sign of protest on the peninsula, the act of proclamation of state independence was adopted, and a date was set for holding a referendum, parliament understood its mistake and immediately agreed to the Crimean proposal. Moreover, it granted it more independence than it requested.

So, life itself teaches the Supreme Soviet of Ukraine wisdom.

Deputy Grinev on Opposition, Parliament

92UN1831A Kiev PRAVDA UKRAINY in Russian 14 Jul 92 pp 1, 3

[Interview with Professor V.B. Grinev, Ukrainian Supreme Soviet deputy chairman, by Devi Arkadev, Radio Liberty; place and date not given: "A Crisis of Power Is Obvious"]

[Text] **Events in the Supreme Soviet and the Cabinet of Ministers and the attitude of the president toward them have provided a pretext for politicians and journalists to begin talking about a crisis of power in Ukraine in the days of July. I began my interview with Professor V.B. Grinev, deputy chairman of the Supreme Soviet of the republic, with a question concerning precisely this point:**

[Arkadev] Vladimir Borisovich, we would be interested in knowing your evaluation of what has happened in the supreme echelons of power.

[Grinev] A crisis of power exists indeed. There is the inability of the Cabinet of Ministers to carry out radical economic reforms, the inability of the Supreme Soviet to complete the creation of a legislative foundation for economic reforms, and the inability of the president to control the situation. A crisis of power is obvious.

I would divide what has happened into two major blocks. That the president made a statement concerning a different logic of reforms, proposing that a group be created in which an absolutely different person would play first fiddle rather than Lanovoy, a well-known reformer, is the first and more significant block. In this manner, the president, in essence, removed Lanovoy from providing the philosophical leadership for reforms. This is a very serious symptom.

A government crisis and yet another attempt to remove the government have a completely different meaning. I believe this to be an unprepared political action, a purely spontaneous one which arose on the wave of populism. In essence, this was an action through which the reformers lost. The significance of last week consists of these two aspects—the unprepared action with regard to the government and the prepared logic of the president.

[Arkadev] On the day when the issue of the vote of confidence in the government was discussed by the parliament, five proposed drafts were put up to a vote. Which one did you vote for?

[Grinev] One of the drafts which I proposed was not among them. I proposed a very harsh draft calling for the resignation of the government and for charging the president with the current management of executive power. I retracted the draft because I saw that the audience was not prepared to pass this draft. I voted in favor of the draft proposed by the Presidium. The whole point is that a straightforward draft in which a vote of confidence in the government would have been announced was not among the four drafts offered. There was no draft, a very concise draft in form, which would have said that on that day we gave the government a vote of no confidence. That is to say, I come back yet again to the simple notion that this attack on the government was not prepared, it was spontaneous. Things such as the resignation of a government should be prepared in a most thorough manner. I think that a government crisis will occur in the fall, anyway. All political forces of Ukraine should already be preparing for this at present.

[Arkadev] Some 135 deputies voted in favor of the draft resolution proposed by the Commission for Issues of Economic Reform and Management of the National Economy, which was supported by Rukh and Narodna Rada leaders, and which called for the resignation of Prime Minister Fokin and the members of the Cabinet of Ministers. May we consider these precisely the forces of the opposition in the current composition of the parliament?

[Grinev] No, you may not, because the draft which you are talking about was, as I see it, drawn up in a very unfortunate manner. I talked to many deputies. The draft had the following wording: "To accept the resignation of Prime Minister of Ukraine V.P. Fokin and the members of the Cabinet of Ministers, in keeping with their statement dated 3 July 1992." However, the whole tragedy of the authors of the draft was that the government had not resigned; it had made an announcement concerning the possibility of resigning. Accepting the resignation of the government amounted to juridical nonsense. I repeat that had we clearly given the government the vote of confidence [as published], its statement notwithstanding, it would have been one aspect of the issue. However, there was no such wording.

[Arkadev] To your mind, what is the role of the president in the existing situation?

[Grinev] The president is taking the position of an observer. This position might be advantageous at present because a struggle between the Supreme Soviet and the Cabinet of Ministers is underway; an observer who arrives later, once the results of this struggle are already known, receives certain favorable dividends. However, I think that the president is now impairing his rating by failing to actively get involved in situations which affects all voters of Ukraine, all citizens of Ukraine, in a very direct manner. That is to say, if the president wishes to really play his role of the supreme official in Ukraine, he acutely needs a different tactic at present, a tactic of intercession, a tactic of voicing his position, a tactic of vigorous cooperation with political forces—anything but a wait-and-see attitude.

[Arkadev] You said that the position of the president might be advantageous at present. Who is it advantageous for?

[Grinev] For the president personally. It is advantageous from the point of view of, for example, preventing a crisis of the presidential structure of power. It is advantageous from the point of view of not aggravating issues concerning the president. In essence, it is advantageous for the preservation of his status quo. However, I would like to emphasize this once again, it is now becoming disadvantageous for Ukraine as a whole.

[Arkadev] Was closing the fifth session at a time when many deputies demanded that it be continued a personal decision by speaker of the parliament Ivan Plyushch or the position of the Supreme Soviet leadership?

[Grinev] You know, we will now have to grasp the fact that the Supreme Soviet should have the functions which are set forth in the Constitution. It is legislative power! Indeed, it may monitor executive power; the Constitution gives it this right. It may monitor the actions of the president. However, current decisions should be made by executive authorities. If you will, this is yet another jab at the president, because he should take part in resolving the arising current issues most vigorously. He is the executive power. An attempt to postpone the recess of the Supreme Soviet and to not close the session is an attempt to shift to the Supreme Soviet, functions which do not properly belong to it.

At present, the government should work, and the president should work, whereas the Supreme Soviet should prepare a legislative foundation. The stage of preparing a legislative foundation has now come. This is what my position is: If the Supreme Soviet fails to complete the development of basic economic laws which would indicate that the economic reform is inevitable during the initial months of the fall session, all of its political actions will not be worth anything. Render unto Caesar what is Caesar's. We should see to it that the Supreme Soviet works on its issues, whereas the president should start handling his problems without evasion, but rather taking part vigorously in accomplishing urgent tasks in Ukraine.

[Arkadev] Vasiliy Durdinets, first deputy chairman of the Supreme Soviet of Ukraine, noted the "considerable law-creating effort" of the parliament when he gave statistics on the laws and resolutions passed on 4 July, at a press conference devoted to the results of the fifth session. Do you agree with this assessment?

[Grinev] The course of the session was quite uneven. Indeed, a tremendous number of laws and resolutions were adopted. As I see it, the number of laws and resolutions altogether exceeds the potential of the Supreme Soviet and opportunities for its constructive work. That is to say, the Supreme Soviet swamped itself with all manner of documents. At the same time, I am not happy with the logic of the actions of the Supreme Soviet from the point of view of laying a legislative foundation for economic reforms. Political passions in the Supreme Soviet have also been a factor in this instance. Incidentally, we have essentially not begun an agrarian reform. I will emphasize that, at present, this is a tremendous reproach to the Supreme Soviet and its tremendous shortcoming. We did not fully implement the philosophy of market-based transformations within the set of laws which we have adopted. That is to say, literally on the last day of the proceedings of the session we feverishly adopted a privatization program which, as I see it, turned out to be quite unfortunate. With the amendments passed, it looks more like a collectivization program. Such are the shortcomings in the operation of the Supreme Soviet at present. After all, we have done all of this! Volume of work? Indeed! However, the quality of work, unfortunately, cannot be considered good.

[Arkadev] One gets the impression that those who are now in power have achieved their main goal—to preserve the foundations of the old system in a new modification. After all, nothing is actually changing!

[Grinev] Well, I would still not say that the goal has been achieved. A local goal has been achieved: to stabilize the status quo which existed to begin with. That is to say, we have now put an end to the serious reformist aspirations of many people. It is so. However, I am still not so pessimistic as far as prospects are concerned. I am convinced, I believe that the stability of the conservative course which has now been achieved, and which many old structures consider their accomplishment, will not last.

I think that soon, namely in the fall, there will be a government crisis, a quite acute crisis of the power structure which, as we have already noted, exists at present, as well. There will be shifts in this direction. Political forces—New Ukraine, Rukh, and political parties—should now prepare in a most thorough manner for setting things in motion.

[Arkadev] You have mentioned New Ukraine. However, can this association be considered oppositional if, for example, one of the members of its Presidium, Yuriy Shcherbak, suggested to his colleagues, the ministers, on 2 July, at a conference of the Cabinet of Ministers, "to hang together?" So, it turns out that he came up with the idea of the well-known demarche of the government?

[Grinev] First, New Ukraine is not a strict, centralized entity as, for example, a party. This is why we do not have strict party discipline. We must note that New Ukraine has adopted a logic of operations which allows for the presence of members of the leadership in present-day political structures, in the structures of executive power, in order to pursue the philosophy of economic reforms in a way which is permitted by the conditions under which these people work. In particular, Deputy Prime Minister Lanovoy, Minister Shcherbak, Deputy Minister Sobolev, committee chief Ryabchenko, i.e., the people who, while working in the government, are acting at present in keeping with the logic established by the congress of New Ukraine. This is why, for example, we should let Shcherbak himself evaluate specifically how he behaved within the framework of the government. However, in principle, he did not violate the philosophy of New Ukraine. We allow for work within the coalition in order to advance economic reforms to the degree the current circumstances in Ukraine will allow. That is to say, we are not forsaking the slightest opportunity to further economic reforms.

[Arkadev] As you see it, what is the logic of the actions of Vasiliy Lanovoy, who stated to the journalists on 7 July that he was resigning, whereas as early as the following day, at his press conference, he discussed why he decided to continue in his position of deputy prime minister and minister of the economy?

[Grinev] I began by distinguishing two aspects of the events which happened last week: the proposal by the

president to form an absolutely new structure which would be responsible for economic reforms, and the somewhat unexpected government crisis, or more precisely, the somewhat unexpected spontaneous attempt to bring about the resignation of the government. So, if we are to discuss Lanovoy's logic of actions, his intention to resign was associated, in the initial scenario, precisely with the logic of actions of the president, that is to say, a situation whereby the deputy prime minister responsible for economic reforms ended up on the second team, according to this logic. As far as I know from my conversations with Lanovoy, this logic remains. If, following the crisis which occurred in the government, the president does not change the philosophy of his attitude toward the government, as well as his vision of the economic reform at present, that is, attempts to eliminate Lanovoy from a leading position in the economic reform, Lanovoy will certainly resign. I believe that it is unwise to "burn" the deputy prime minister in the course of an unprepared political action of the resignation of the government.

I repeat once again that the philosophy of New Ukraine is to advance economic reforms. If representatives of New Ukraine, Lanovoy and others, have an opportunity to carry on this philosophy, they will remain in their positions, though it will be difficult for them. If there is no such opportunity, and they are removed from positions which make it possible to do this, they will resign.

I will note by way of a digression that I talked to Vladimir Grinev right on the eve of the day when Ukrainian President Leonid Kravchuk signed a ukase on relieving V. Lanovoy from his position. As they put it, the issue took care of itself.

However, let us go back to the interview.

[Arkadev] Vladimir Borisovich, does it seem to you that the tragedy of Ukraine lies in the fact that there is no powerful movement at present which would act in opposition to the authorities, who are, in essence, still those of the Communist Party, and to new national-patriots, and which would stand on the position of the complete priority of the rights of the individual in society and of market relations in the economy?

[Grinev] You know, I would word this logic more harshly. I agree with you completely that at present, this is a certain, we might even say, tragedy for Ukraine. The liberal school of political thought and political structures has not been established. The future of Ukraine and its destiny depend to a very large degree on how rapidly this liberal school of political thought and political activities is established. At present, the system of counterbalances which is actually developing in our society, and a certain vacuum in the location where liberal views ought to be are very dangerous.

If you will, my personal plans are to work, after all, on this school of public thought in Ukraine to become a weighty one, provide a certain counterbalance to the national-patriotic movement and old Communist structures, and to lay a foundation of thinking for which the priority of individual rights, a market economy, and regular structures of a democratic, civic society will become paramount in its political and public activities.

[Arkadev] On the eve of August and the first anniversary of the State Committee for the State of Emergency, are you apprehensive about a repetition of similar events?

[Grinev] Well, there is never a repetition. One cannot step into the same river twice, as the ancient people used to say. I think that there will not be a precise repetition. However, I see quite well the danger of the resuscitation of post-totalitarian structures in one form or another. What we have said about a certain stabilization of the conservative disposition of administrative structures in our society at present is a fact. We cannot have a complacent attitude toward this. We must draw the attention of political forces again and again to the fact that this quasi-stability is a fork in the road from which we may proceed in different ways. One of these ways is to restore old administrative techniques in the economy which will become the foundation for the potential restoration of totalitarian structures in our society. That is to say, economic reforms are currently the main political issue.

[Arkadev] How do you see the events developing in Ukraine in the months to come? Will the parliament have to convene an emergency session, taking into account our realities and the possibility of a social explosion?

[Grinev] Indeed, at present a social explosion is a great danger. The intention of independent trade unions to engage in strike actions is known. The strike movement is beginning to show its strength. Of course, in this matter, we should soberly evaluate this as possibly destabilizing the situation the most. Of course, it is bad that, at present, our government—which has not been renewed!—will, for the most part, be responsible for the situation with the strike movement and social explosions. I would be less than honest if I said that the government is prepared for this process. I believe that at present, a very great danger is associated with the inability of the government to control the situation in the coming months. Of course, I also spoke about this at a meeting of the Presidium. We should now be prepared to convene for an emergency session of the Supreme Soviet if the situation is aggravated to the extreme, regardless of the fact that the Supreme Soviet has its functions. I see this scenario as well. This may happen.

[Arkadev] In summation, I would like to ask: What place do you see for yourself as a politician who could be of the greatest use to Ukraine?

[Grinev] My place as one of the politicians, one of the leaders—if I succeed in securing this position—one of the leaders of the liberal movement in Ukraine. I see a place for myself in making thorough preparations for

elections of a new type. I would like the liberal movement to become an operating force in the future parliament, public life, and in the mass media. That is, liberal thought is what will save Russia. I did not misspeak. It will save Russia, too. I would like to paraphrase this: "Beauty will save the world!" For its part, the liberal school of thought will save Russia, Ukraine, and Byelarus, and the entire huge conglomerate of trouble that has been created in the place of the former Soviet Union. That is to say that liberal thought is what I would like to be involved in as a politician. The power of liberal thought in Ukraine should be demonstrated very soon. This is my place in politics.

Byelarus

KGB Chief Opposes Releasing Oswald Files

OW0408163592 Moscow INTERFAX in English 1559 GMT 4 Aug 92

[Transmitted via KYODO]

[Text] Byelarus's KGB chief Eduard Shirkovskiy has highly praised the Byelarusian-Ukrainian agreement on cooperation between the secret services of the two countries signed in Kiev on July 31. He pointed out the fact that the republican KGB carried out only intelligence and counterintelligence activities needed for a neutral state.

Eduard Shirkovskiy said that he had personally examined the case of Lee Harvey Oswald and added that it would be declassified only by permission of Parliament. The KGB General believes that it should not be done, for the six volumes of materials of the case reveal all methods of operation work of the secret service. Though, Eduard Shirkovskiy expressed confidence that Lee Harvey Oswald was unlikely to be involved in the assassination of President John Kennedy. He added that Lee Harvey Oswald was neither KGB, nor CIA collaborator, and that he was no marksman.

KGB 'Not Involved'

LD0408222392 Moscow ITAR-TASS World Service in Russian 1750 GMT 4 Aug 92

[By BELINFORM correspondent Larisa Lazar]

[Text] Minsk, 4 August (TASS)—So far the numerous attempts by our own and foreign journalists to become acquainted with the six-volume dossier kept in the Byelarusian KGB archives on Lee Harvey Oswald, one of the participants in the "crime of the century," have met with no success. "It will only be possible once the Byelarus Supreme Soviet decides to declassify the case," reported Eduard Shirkovskiy, chairman of the State Security Committee of the Republic, at a news conference today.

He said that when Oswald lived in Minsk the security forces came to the conclusion after studying him carefully that he could not be a CIA agent. At the same time the entire Security Service was mobilized in operational work to study the American so that the document could only be made public with the agreement of the supreme body of state.

"On the basis of the facts collated at the time it is possible to establish that KGB bodies were not involved in the tragic events in Dallas 30 years ago," Eduard Shirkovskiy said. "State Security did not involve Lee Harvey Oswald in any cooperation. As for the fact that Oswald had a weapon while he was in Minsk, he was actually given this as a member of the Hunting and Fishing Club. However, according to eyewitnesses' statements, he was not a particularly good marksman and it is hard to imagine that he could kill the president."

No 'Political Subtext' in Russia Agreements

MK0508070292 Moscow NEZAVISIMAYA GAZETA in Russian 4 Aug 92 p 3

[Igor Sinyakevich report under "Byelarus" rubric: "Republic Will Not Deviate From Autonomous Policy, Reassures Mikhail Myasnikovich, First Deputy Chairman of the Council of Ministers"]

[Excerpts] A news conference about the Byelarusian-Russian agreements signed in Moscow 20 July was given by the following members of the republic government: First Vice Premier Mikhail Myasnikovich (head of government Vyacheslav Kebich is on leave); Defense Minister Colonel General Pavel Kozlovskiy; and Gennadiy Shkurd, chief of the customs department. [passage omitted]

Answering a NEZAVISIMAYA GAZETA correspondent's question, acting head of government Mikhail Myasnikovich said: "Regarding whether we will support Russia politically because it has made some economic concessions to us, I will say this: We have not demanded anything unusual from Russia. We have enshrined within the framework of bilateral agreements the volumes of reciprocal deliveries of resources and other economic ties which were formed before the Union's collapse. Right now Russia has many problems of its own, and they are no less acute than in Byelarus. We must all think about the fact that it is no longer possible to live at another state's expense, even within the framework of the ruble zone. Everyone is sufficiently intelligent and knows each other's economy. Regarding the attempts to read between the lines of some kind of political subtext, participants in the talks can confirm that this was not observed either in the official documents or the unofficial situation—certainly not on the part of Russia, even though some of your colleagues are trying to make out that they made oil concessions to the Byelarusians, who are now going to follow Yeltsin's policies. We have our own policies which are based on our laws and our Declaration of Sovereignty, in which the status of neutrality is enshrined, and we will not deviate from them one step."

Germany To Finance Soldiers' Retraining Center

OW0408173192 Moscow INTERFAX in English 1538 GMT 4 Aug 92

[From the 5 August "Presidential Bulletin" feature; transmitted via KYODO]

[Text] First Deputy to the Prime Minister of Byelarus Mikhail Myasnikovich, who is acting Prime Minister during the Prime Minister's vacation, signed a decree to open a center in the small town of Kolodischi (near Minsk) for the retraining of soldiers discharged to reserves. Germany will finance the center's activities. According to information from sources in Byelarus' Council of Ministers, the German government has appropriated 8,210,000 marks for the project. In September the center is expected to admit more than 500 of

its first students, who will be taught marketing, management, and various construction specialties. It is proposed that two similar centers in Byelarus are soon to be established.

Conscripts To Be Airlifted From Central Asia

LD0408151292 Moscow Radio Rossii Network in Russian 1000 GMT 4 Aug 92

[Text] On the instructions of the main administration for border troops of Byelarus, 1,989 conscripts called up from Byelarusian territory will be sent away from their units in the Central Asian Military District. Over to Raziya Takhtakhadzhayeva, our correpondent in Minsk:

[Takhtakhadzhayeva] This difficult decision has been prompted, as official documents reveal, primarily by the aggravated situation in Tajikistan. There, the opposition of political forces developed into an armed conflict that resulted in civilian deaths. Fights are going on in neighboring Afghanistan, another potential danger for the life and health of our fellow countymen. Major General Gennadiy Veselov, acting border troop commander of Byelarus republic, told our correspondent, I quote: We have presented to the republic's government a schedule of airlifting the above contingent from Turkmenistan, Uzbekistan and Tajikistan to assembly points in Grodno and Brest. From 15 August to 15 September, in one month, the conscripts will be flown out by military transport planes belonging to the Byelarus defense ministry, with the exception of those who volunteer to continue service in that region and write the appropriate requests. There are such precedents: 29 men have so far refused to leave their border posts.

Moldova

Dniester Troop Withdrawal Still Incomplete

LD0408121792 Moscow Radio Rossii Network in Russian 1100 GMT 4 Aug 92

[Text] Subunits of the Moldovan police and the Dniester guard were not completely withdrawn from the zone of the Dniester region conflict by 1700 yesterday, a duty officer of Russia's peace-making forces told an ITAR-TASS correspondent. The final withdrawal of all units of the sides is to be carried out by 1800 tonight. There have been no reports of firing or casualties in the Dniester region for the past 24 hours.

Dniester Region Quiet

LD0408190392 Moscow Programma Radio Odin Network in Russian 1100 GMT 4 Aug 92

[Text] Another day has passed without shooting in the Dniester region, according to reports from both the Moldovan Ministry of Defense and the Tiraspol press service. The ITAR-TASS correspondent was informed by the duty officer of the Russian peacekeeping contingent that the sides had not managed to complete the withdrawal of their subunits from the conflict zone by 1700 yesterday. They were delayed by difficulties with the Moldovan unit's crossing north of Dubossary. The Dniester region subunit has not withdrawn from here, either. Detachments which have not left the zone have been detected south of Bendery. Final withdrawal of all units belonging to the sides is scheduled to be completed by 1800 today.

Withdrawal 'Completed;' Police at Work

LD0408213592 Moscow ITAR-TASS in English 2023 GMT 4 Aug 92

[By MOLDOVA-PRESS correspondent for TASS]

[Text] Chisinau August 4 TASS—Moldovan Interior Minister Konstantin Antoch informed today's meeting of the new government on the situation in Moldovan eastern areas.

He said the withdrawal of armed units of the warring sides from the Dniester conflict zone has been completed and separating forces have been introduced there.

He also said a 50-people-strong police group is working in Bendery. Police also works together with Dniester militia in other areas of the region. All roads have been unblocked. Still cars are checked up to prevent the smuggling of fire arms.

Antoch said the general situation is normalizing and called on the new cabinet of ministers to do their best for ensuring further success of the stabilization process.

Snegur Addresses 'New Government' Session

LD0408174892 Moscow Mayak Radio Network in Russian 1700 GMT 4 Aug 92

[Text] The first meeting of the new government of the Republic of Moldova took place today. Mircea Snegur opened it and congratulated the new members of the cabinet of ministers. He said that they have consciously shouldered a difficult burden and they should bear it in a worthy manner for the sake of the prosperity of the republic and of its people.

The president noted that he is not disclaiming responsibility for the state of affairs in the republic and that, together with the new government, he intends to try to overcome the crisis.

Prime Minister Summarizes Goals

OW0408191592 Moscow INTERFAX in English 1826 GMT 4 Aug 92

[Transmitted via KYODO]

[Text] Tuesday [4 August] the final session of the Moldovan Parliament continued formation of the government of national consent. Nikolay Andronati was appointed

the first Vice Premier of the Moldovan Government and Klavdia Melnik—Minister of Finance on the proposal of Mircea Snegur.

The posts of economy and transport ministers remain vacant in the government. The former ministers are supposed to fulfill their duties until Dniester presents its candidates.

The main task of the Moldovan Government is to stabilize the complex social-political and economic situation in the republic, the Prime Minister Andrey Sangeli declared in his interview with "IF" [INTERFAX] before the first session of the newly formed Cabinet of Ministers on Tuesday.

According to the Premier, the military conflict with Dniester and other factors have led to deepening of crisis in the republic, lowering of the living standard of the population. According to preliminary calculations, the level of inflation over the first half of the year constitutes 50%, and the level of national income has lowered by 27.9% in comparison with the same period of the previous year.

Sangeli pointed out that the government intends to create "a certain basis for transition to market relations, to improve financial system, to regulate circulation of money including transition to national currency".

[In a related report carried in the same 1826 GMT facsimile transmission received via Tokyo KYODO, INTERFAX reports that Moldovan President Mircea Snegur addressed the new government's first session in Chisinau on 4 August. According to INTERFAX, Snegur "announced that in the first half of this year the republic's national revenue decreased by 28%. Production in industry dropped 27%, and production in the agricultural industrial sector fell by 33%."

[The report adds that Snegur said the decline in the nation's economy "had a negative effect" on population's standard of living, adding that incomes "increased by 300%, but prices went up by 1100%. Thus, the actual income of the population fell by approximately 300%."

[The report concludes: "Snegur said he was not exempting himself from responsibility for the situation which has arisen in the republic, and plans to, along with the new government, overcome the economic crisis."]

Snegur, CIS General Discuss Peacekeeping Forces

LD0408174192 Moscow ITAR-TASS in English 1643 GMT 4 Aug 92

[By MOLDOVAPRES-TASS correspondent]

[Text] Chisinau August 4 TASS—Moldovan President Mircea Snegur and Deputy Commander-in-Chief of the CIS Joint Armed Forces Colonel-General Boris Pyankov discussed during their meeting in Chisinau today a protocol "on the temporary procedure for the formation and use of military observers teams and joint peacekeeping forces in zones of conflicts between states in CIS member countries".

According to the document in question, any political decision to launch operations with the use of peacekeeping teams shall be adopted by the CIS heads of state council by consensus and on the basis of an appeal submitted by one or several CIS states and with the concent of all the conflicting sides. The CIS heads of state council will immediately inform the U.N. Security Council and chairman of the CSCE about any such decision. The document also says that each of the CIS states assumes the duty of forming peace-keeping military contingents, militia (police) personnel and inspection teams to be used in peace-keeping operations.

President Snegur approved the document, noting that the assignment of military contingents from the Republic of Moldova could be decided only after the ratification by its parliament of the Alma-Ata agreements on Moldova's accession to the CIS.

Discussed during the meeting was also the question of withdrawing units of the Russian Army from Moldova. It was noted that units of the 14th Army would be withdrawn after additional talks, while the paratroop regiment, commanded by General Ivan Lebed (brother of the 14th Army commander - ed.) will be transferred to Abakan this autumn.

Snegur Interviewed on Dniester Situation

AU0408184492 Chisinau Radio Chisinau Network in Romanian 2050 GMT 1 Aug 92

[Chisinau Radio Chisinau relayed via Iasi]

[Text] President Mircea Snegur granted an interview today to the correspondent of the Egyptian newspaper AL-AHRAM.

The correspondent expressed his view that there are four possible alternatives in Moldova: A vast military operation could be launched against the separatists, unification with Romania could be speeded up, federalization of the republic could be accepted, or extremist forces on both sides could be absorbed by the majority of the people favoring an independent republic. Setting out from such a scenario, he then asked Snegur which of the four alternatives he preferred. Snegur answered that he favors the opinion of the majority that had granted him the mandate of president of the republic.

Talking about the efforts he has to make in his position, Snegur said that a number of measures have been taken in order to achieve general civic consensus. Among those measures, he mentioned the establishment of a government of national reconciliation, which—taking into account that the eastern rayons of the Republic of Moldova have greater industrial potential—will consist of ministers who are able to deal with the economic problems and promote reform. Their refusal to accept

those offices demonstrates that the Tiraspol leaders have not understood clearly yet that peace is only possible through compromise. Talking about the latest incidents where peacekeeping forces have been fired upon, Snegur highlighted the fact that the separatists have lost control over the situation, which proves that they are irresponsible.

The deployment of joint peacekeeping forces cannot lead to tension in that region because the military observers of the four states are operating there, Snegur said, adding that he had sent a letter to the UN secretary general asking him to send observers to the Dniester area.

Concerning the pressure exerted on Moldova by certain forces in Russia, as the Egyptian journalist put it, Snegur replied that settlement of the conflict is only possible if democratic forces in both countries cooperate. Snegur said that a reorientation of certain political personalities is to be noted in the Russian Federation and that is why chances to truly end hostility in Dniester are increasing.

Snegur also mentioned that Russian President Boris Yeltsin proved that he deeply understands the true situation in Moldova and thus the two presidents could establish contacts with the sole purpose of peace.

14th Army's General Lebed Grants Interview

PM0408115992 Moscow SOVETSKAYA ROSSIYA in Russian 4 Aug 92 p 1

[Interview with Major General Aleksandr Lebed by S. Shevtsov and A. Kurbatov; place and date not given: "Everyone Is Sick of War"]

[Text] As you know, a control commission consisting of three groups from Russia, Moldova, and the Dniester Moldovan Republic [DMR], is at work, Aleksandr Ivanovich said. The fact that the commission includes six people from the Dniester region is evidence that the latter has been indirectly recognized. The peacemaking contingent includes six Russian battalions and two battalions each from Moldova and the Dniester region. Now, as you can see, a Russian airborne assault regiment, consisting of three battalions, is landing and unloading. It will be followed by a motorized rifle regiment—another three battalions. They will march immediately to their planned positions.

[SOVETSKAYA ROSSIYA] How do you assess the situation around the DMR at the moment?

[Lebed] Both warring sides are ready for a truce. Everyone is sick of war. It is clear that there is not and cannot be a military solution to the problems here. Peace must be established, then the politicians can take as long as they need to negotiate, even if it takes 10 or 15 years. Let them divide things up... I have seen for myself Moldovan peasants sitting in the trenches on one side, Dniester workers on the other. They have nothing to divide up. Therefore the politicians were forced to take note of the people's state of mind. At the entrance to Bendery there is a vast crowd of people waiting, greeting Russian soldiers with flowers in their hands.

Peace is being established in different ways. In Dubossary, for example, commander Yurko and commander Lukyanchenko reached agreement to exchange 12-20 soldiers from each side and thus supported the truce.

The fact that the gunfire in Bendery has diminished considerably was made possible by the introduction of 16 posts from the 14th Army under the tripartite accord. Sometimes there is gunfire at night, but only from small arms and it is either drunken idiots or provocateurs who open fire. Both sides are now actively eliminating these provocateurs.

[SOVETSKAYA ROSSIYA] Aleksandr Ivanovich, what, for the politicians, was the deciding factor that finally enabled them to reach agreement? Many people tend to think that your appointment as army commander and your well-known statement, which opened millions of eyes to what is going on, played a highly significant role here.

[Lebed] First, I would repeat that public opinion has changed drastically. Second, the army has for the first time in the recent past shown itself to be a serious and awesome force capable of halting aggression and punishing the aggressor if the politicians do not reach a peaceful solution. Moldova's politicians have realized that they cannot go on killing with complete impunity. You can see that as soon as the army adopted this stance and occupied its due place people's attitudes changed immediately: The Dniester people's spirits rose and the opposing side's will to fight subsided. I even sense a radical change in attitude toward myself: Before people tried to slap me on the back. In short, everything is in its proper place.

[SOVETSKAYA ROSSIYA] I have noticed that the Dniester people regard you with sincere respect and gratitude as their savior. In Russia, however, the attitude toward you is not so clear-cut, especially from the aggressive and reactionary "democratic press"! Have you sensed these diametrically opposed attitudes toward yourself?

[Lebed] I have not. We do not receive newspapers from Russia and I do not have time to watch television. Consequently, about 90 percent of the attacks, all this nonsense, passes me by. Even if I had seen or read all this I would have stuck to my old position because I have the most profound inner conviction that I am right. I am sick of retreating. I am sick of it. We have a state; we must not borrow other people's ideas but must ourselves embody the principles which we have proclaimed. We must not be reduced to begging like—I have said all this before.

[SOVETSKAYA ROSSIYA] Your statement shocked many people. They sensed behind you the strength and conviction of a patriot, but some people, even those who are next to the president, greatly dislike and fear patriots and patriotism. You probably know.

[Lebed] I do.

[SOVETSKAYA ROSSIYA] In my view they will do everything to "oust" you from this post and this hot and very specific region.

[Lebed] I intend to see things through to the end here. I think that I am in my proper place. You have to grow into a job and work well. I sense powerful support. The vast majority of generals and officers feel as I do. For seven years the army was torn to shreds, impudently dismissed to barracks; people wiped their feet on it and poured dirt on it—enough of all that.

There is not and cannot be discipline in the pure form. The state is being destroyed, everything is falling apart, everything is being stolen before your very eyes. What discipline can there be here? Anyone, especially people in uniform, must sense that the state is behind them. That is essential to them. Then they feel themselves to be citizens and their discipline comes primarily from within. That is the main, the essential condition.

In the years of perestroyka all this was lost and destroyed. Now perestroyka has really entered its second stage—the "perestrelka" [exchange of fire] stage. At the moment it is hard to say when the third stage, that of "pereklichka" [exchange of views], is going to begin.

[SOVETSKAYA ROSSIYA] Aleksandr Ivanovich, might there not now be a repetition of the dreadful episode in Bendery when Moldova took advantage of the outcome of the peace accords to attack the city?

[Lebed] The situation is fundamentally different now. The forces of Moldova and the DMR had sorted things out with one another there when Moldova embarked on systematic deception. The introduction of the Russian troop contingent means that the country's prestige is at stake now because it is acting as guarantor and is obliged to see things through to the end.

[SOVETSKAYA ROSSIYA] But suppose Moscow orders the 14th Army to pull out of the Dniester region?

[Lebed] I do not believe that such an order will come. We have already been through many withdrawals. Russia is not completely ready for that. It is full of troops with nowhere to go. If there is another withdrawal, that would be too much to bear especially since the army is neutral here and has no problems in serving. Furthermore, it must be taken into account that over 40 percent of the officers and around 90 percent of the noncommissioned officers are locals. Where are they to go if they leave their homes? Who is waiting for them and where, especially in present conditions?

The morale of the 14th Army is high. People feel that they are real people even though what has been destroyed over many years cannot be completely rebuilt in a few days. This whole problem will nevertheless be resolved, and we will resolve it.

Tajikistan

Security Chief Dismissed, New Appointment Noted

LD0408163692 Moscow ITAR-TASS in English 1614 GMT 4 Aug 92

[By ITAR-TASS correspondent]

[Text] Dushanbe August 4 TASS—Tajik President Rakhman Nabiyev signed a decree on Tuesday [4 August] dismissing Alidzhon Solibayev from the post of chairman of the Republican National Security Committee. He was replaced by Shakhob Sharipov, a former career security officer. He earlier held a modest job of chairman of a rural district council.

Explaining the dismissal, officials of the president's secretariat said that it followed Solibayev's personal application, in which he motivated his resignation by a desire to work on another job. He is now on leave.

General Bakhrom Rakhmanov, chairman of the Defence Committee, was similarly dismissed a few days earlier. At present, according to the same source, he is also on a two-month leave. The secretariat officials refused to comment in detail on the two resignations.

Security Staff Refuses New Chief

LD0408170192 Dushanbe Radio Dushanbe Network in Tajik 1200 GMT 4 Aug 92

[Text] According to unofficial information, Jamshed Karimov, deputy chairman of the Cabinet of Ministers of the Republic, held a meeting at the National Security Department today in order to introduce the new chairman of the National Security Committee. At the meeting, the staff of the National Security Committee refused to accept the new chairman, Sharifov, who had been appointed to the job by a decree from Rakhman Nabiyev.

The staff of the National Security Committee demanded that Karimov convey their dissatisfaction to the president. They said that this appointment made by the president will further aggravate the [word indistinct] situation in the republic. They declared that they will (?go on strike) until a reply is received from the president.

Deputy Chairmen Issue Statement

LD0408170992 Dushanbe Radio Dushanbe Network in Tajik 1200 GMT 4 Aug 92

[Text] Dear listeners, a few moments ago the newsroom of the Voice of Tajikistan received a statement issued by three deputy chairmen of the National Security Committee. The statement says that President Rahman Nabiyev issued a decree on 4 August on the dismissal of Colonel Alidzon Abdullovich Solibayev from the post of chairman of the National Security Committee. During a four-month period this year, four people have been appointed to the job of chairman of the National Security Committee of the Republic of Tajikistan.

The statement adds that during his short time in office, Colonel Solibayev, as chairman of the National Security Committee of Tajikistan, introduced many reforms. The removal of Colonel Solibayev from his post during this tense situation (?shows) a serious mistake by the president. Following the signing of the Khorog Agreement, in which Comrade Solibayev was involved, this action by the president will (?on the contrary) aggravate the situation. The statement was signed by many staff of the National Security Committee.

Opposition Sends Protest Note

LD0408215792 Dushanbe Radio Dushanbe Network in Tajik 1700 GMT 4 Aug 92

[Text] The popular forces of Tajikistan have sent a protest note to President Rakhman Nabiyev, which says in part:

As every one is aware, in accordance with a decree by Rakhman Nabiyev, president of Tajikistan, dated 29 July 1992, General Bahrom Rakhmanov, chairman of the Defense Committee of the republic, has been relieved from his post. Gen. Rakhmanov was nominated to this post in May of this year by the alliance of the popular forces—the opposition. Before relieving him from his job, the president should have consulted the opposition and the Cabinet of Ministers and secured their agreement. However, without informing the opposition and the Cabinet of Ministers, the president relieved the general from his job, thus breaking his promises and behaving obstinately. In addition, on 4 August [word indistinct] the apparatus of the presidency issued a decree dismissing Alijon Salehboyev, chairman of the National Security Committee.

Whose turn it is next? That of Mirbobo Mirrahimov, chairman of the Voice and Vision Company [radio and television], who for some time now has been under extreme pressure from the president, or the turn of Transport Minister Bozorali Safarov, of Prime Minister Akbar Mirzoyev, of Agriculture Minister Akbarov, or of External Relations Minister Kholiqnazarov, etc?

Rakhman Nabiyev has already divided the Ministry of External Relations into two sections and has appointed one of his relatives as head of one section. He intends to divide the Ministry of Transport into several sections and [word indistinct] its work. What are all these provocative acts in aid of? Perhaps in order to appoint his relatives and close friends to major posts, or perhaps it is designed so that the above-mentioned ministers should sing the praises and [word indistinct] of Nabiyev, or (?not obstruct) the realization of the president's objectives. (?It may be that) they are opposed to bringing troops from foreign countries into Tajikistan and do not want alien troops to shed the blood of Tajik people as was the case in Sar-i Pul village, Bakhtar rayon, on 27 July this year when Russian troops slaughtered innocent and unarmed people. Or perhaps he is doing all this as a provocation to further aggravate the situation in the republic.

In the past three or four months the president has done nothing to stop the conflict and bloodshed and to normalize the political and economic situation in Tajikistan. On the contrary, in many cases the situation has become more unstable with (?his) direct efforts. The fact of the matter is that he is not in favor of stability in Tajikistan and (?wants) the continuation of fratricidal war. To this end, it is probable that he will utilize every (?means). [Words indistinct] by the sold-out [word indistinct] people to kill a number of [word indistinct]-speaking population and create a conflict among the nationalities, and with this pretext, bring (?Russian) troops into Tajikistan in order to shed more Tajik blood and make Tajikistan subservient to Russian and Pan-Turkish hegemonists.

In any case, this behavior by the president is not in the interests of the (?people) and does not help peace and tranquillity in Tajikistan. The oppressed Tajik people are tired of conspiracies and plots by the position-seekers and want peace and normality not war and (?conflict).

Therefore, we, the representatives of the Homeland Salvation Front—the alliance of the popular forces of Tajikistan—strongly condemn such obstinate behavior by President Rakhman Nabiyev, resolutely demand that he stop provocations and conspiracies and, stop aggravating the already difficult situation in the republic, otherwise all responsibility for the tragic consequences of (?his actions) will rest with him and his associates.

We also warn the president, the Government of Tajikistan, and the governments of the republics of the former Soviet Union not to dream of sending foreign troops to Tajikistan under various pretexts. The Tajik people have the wisdom and the power to put an end to bloodshed in their land and to defend their homeland against aliens. The popular forces of Tajikistan are prepared to mobilize tens of thousands of youths to reinforce the borders and protect the homeland. The sending of troops from foreign countries into our territory will be regarded as an act of aggression against the freedom and independence of the State of Tajikistan and they will be treated as aggressors. Of course, this will in no way help the [word indistinct] prosperity of Tajikistan. Our statesmen should know that bringing foreign troops into Tajikistan will create a real danger of destroying the independence of the republic. This will be regarded as treachery against the people and against the homeland.

[Signed] The Homeland Salvation Front, the Alliance of Democratic Forces.

Vice Premier on Fulfillment of Khorog Agreement

OW0408173392 Moscow INTERFAX in English 1540 GMT 4 Aug 92

[From the 5 August "Presidential Bulletin" feature; transmitted via KYODO]

[Text] The chairman of a headquarters on stabilization of the situation in the republic, the deputy leader of the parliamentary commission on fulfillment of the agreement on peace, the Tajik Vice Premier Davlat Usmon declared that at present the main point of the Khorog agreement—on cease-fire—is being fulfilled. In his interview with "IF" [INTERFAX] he reported that there were no armed clashes in the republic since the agreement was signed on July 27.

Speaking on another point of the agreement connected with weapons' returning, Usmon said that there is no progress in this sphere. Only 19 guns have been handed in following the signing of the document. 160 guns had been handed in before the document was made public on August 1. But the weapons returned constitutes only one tenth of the quantity which had been distributed in the squares during unrest.

At present only 20 out of 300 hostages who were in the hands of different armed formations still remain prisoners. All the others were exchanged, freed, or returned home.

The Khorog agreement has been fulfilled in respect to abolishing unlawful posts of different military formations. Detachments of representatives of the Internal Ministry, OMON [special purpose militia detachment] (riot police), and CIS forces stationed on the territory of the republic appeared on the roads instead of the fighters.

Formation of a motorized company of the Internal Ministry is being completed. The President has ordered this company to fulfil the main task—to disarm the military formations which do not want to hand in weapons voluntarily.

Besides, formation of a fund under the Cabinet of Ministers to purchase weapons from the citizens who had bought it to defend their houses and families is also being completed.

Process 'Gaining Momentum'

LD0508102792 Moscow ITAR-TASS in Engish 1541 GMT 4 Aug 92

[By ITAR-TASS correspondent Galina Gridneva]

[Text] Dushanbe August 4 TASS—The results of the implementation of the Khorog peace agreement proved to be modest, putting it mildly. The deadline for the surrender of weapons, fixed by the agreement, expired at 24 hours on August 3, but only 19 pieces of firearms were so far surrendered to stations specially set up for the purpose. Only 19 out of the 17,000 firearms which, according to the Tajik Interior Ministry, are now "at large" in Tajikistan.

This fact was recorded with regret by Tajik Vice Premier Usmon Davlat, chairman of the republican commission for supervising the implementation of the Khorog agreements, who was recently interviewed by ITAR-TASS. Nevertheless, he noted that "the process was gaining momentum, especially after the arrival of commission members and public representatives in the conflict zone, whose job is to conduct explanatory work among the

local population and members of militarised groups." "I hope that the government's decision to allocate 60 million roubles for buying up arms from the population, inasmuch as some of them were purchased for purposes of self-defence during the confrontation period, will also spur up the surrender of weapons. More understanding is now being achieved with leaders of the conflicting armed groups, which are beginning to realise that further fighting endangers national existence, as well as the sovereignty and integrity of the republic, leads to the escalation of the fratricidal war."

At the same time, the vice premier stressed that the government did not intend to drag out the fulfillment of the Khorog agreement and would resort to all the powers and means granted it by the Tajik president and the Khorog peace memorandum.

The situation in the conflict zone is gradually stabilising. According to the Tajik Interior Ministry, there were no clashes in the conflict zone during the past few days. Unlawful armed posts have been removed from practically all the major motor roads and populated localities. Both sides are completing the exchange of hostages.

Russian Denies 'Interference' Accusations

PM0508152792 Moscow KRASNAYA ZVEZDA in Russian 5 Aug 92 p 3

[Sergey Knyazkov report: "Passions Still High in Tajikistan Over Russian-Controlled 201st Motorized Rifle Division"]

[Text] Shodmon Yusup, chairman of the Fatherland Salvation Front and leader of the Tajik democrats, has accused Russian troops billeted on Tajikistan's territory of direct interference in the republic's domestic political conflict and has demanded the immediate withdrawal of the "foreign military contingent" from its territory.

According to an ITAR-TASS report, he declared this at a 2 August press conference for local and Russian journalists. The Fatherland Salvation Front sent a protest to the Tajik leadership and the Russian Government demanding that the Russian contingent be withdrawn from the republic's territory without delay and that those guilty of killing peaceful inhabitants be brought to justice.

In order to clarify the situation, I called the 201st Division headquarters in Dushanbe. Lieutenant Colonel Nikolay Surkin, chief of the operative division, came to the telephone. He described Shodmon Yusup's statements as his personal opinion. According to Nikolay Nikolayevich, straight after the incident, the division was inundated with many meticulous local journalists taking photographs and writing notes and who failed to uncover a single fact testifying to the participation of Russian servicemen in the 27 July conflict. At the same time, Lieutenant Colonel Nikolay Surkin cited certain facts during the telephone conversation which up until then, were not known to the public at large.

It seemed that one of the rival groupings numbered 700 people, and the other—1,000.

In order to localize the conflict, the Kurgan-Tyube Oblast Internal Affairs Administration chief called in two OMON [Special Purpose Militia Detachment] APC's, which stood between the hostile sides. However, there was no cease-fire after this: Shots were fired by the larger of the groupings against the OMON forces, although the latter did not engage in fighting. Four OMON members were seriously wounded.

In short, Lieutenant Colonel Nikolay Surkin stressed, had he so wished, Shodmon Yusup could easily have explained all the details of the event. However, he did not want to listen either to the voice of local journalists or to the prosecutor's office which was investigating the incident. Thus, it has to be suggested that a campaign was launched against Russian servicemen in Tajikistan which bore a premeditated character and which was beneficial to certain sociopolitical and, I would say, destructive forces in the republic. Those, in fact, who broke the 28 June Khorog peace agreement between the republic leadership, political parties, the clergy, and the commanders of armed formations. The measure to disarm all groupings by 3 August, which was proposed as a move of primary importance, has been disrupted. It remains to forcibly confiscate weapons, but the republic does not have its own army or indeed, any kind of "special" forces able to cope with this task. There is only one real force—the CIS troops, which have adopted a strictly neutral position.

Turkmenistan

'Health Grounds' Cited on Kuliyev Resignation

OW0408200792 Moscow INTERFAX in English 1826 GMT 4 Aug 92

[Transmitted via KYODO]

[Text] Avdy Kuliyev has resigned as Turkmenistan's foreign minister on health grounds, said Turkmenistan's President Saparmurad Niyazov at a government session today. He added that Avdy Kuliyev was likely to be appointed Turkmenistan's Ambassador at Large.

The president intends to appoint Khalykberdi Atayev as new foreign minister, but his candidacy should be agreed on by parliament.

Prior to his appointment, 50 year old Khalykberdi Atayev chaired the Supreme Court of Turkmenistan.

Niyazov Expects Agreement on Border Troops

OW0408214892 Moscow INTERFAX in English 1826 GMT 4 Aug 92

[Transmitted via KYODO]

[Text] The status of border troops stations on the territory of Turkmenistan is to be determined within 10 days. As President Saparmurad Niyazov of Turkmenistan told the republican government in Askabat Tuesday [5 August] that a Russian delegation led by Russian Security Minister Viktor Barannikov will arrive in the republic August 14-15 for talks on that issue.

According to Niyazov, a draft agreement on border troops prepared for the signing at his meeting with Boris Yeltsin July 31 was not signed because of Russia's desire to bring them under its jurisdiction. "Such an approach is unacceptable to us because it can infringe upon our national dignity: in the near future border troops will consist 90% of Turkmenisan citizens", the president noted.

The Turkmenian president stated that Russian border guards "should not be worried about their fate". A draft agreement between Russia and Turkmenistan, the president noted, envisages share financing and recruitment of border troops, as well as a unified command.

Government To Return Frozen Funds to Republics

OW0508113092 Moscow INTERFAX in English 1015 GMT 5 Aug 92

[Transmitted via KYODO]

[Text] Turkmenistan intends to return 192 million US dollars belonging to the republics which have been frozen in the USSR Vneshekonombank, the Turkmen President Saparmurad Niyazov declared at the last session of the republican Cabinet of Ministers.

According to "IF" [INTERFAX], a delegation to negotiate this topic is expected to leave for Moscow on August 6. The Turkmen Vice Premiers Valeriy Otchertsov and Nasar Suyunov, bank experts are supposed to be members of this delegation.

Uzbekistan

Funds Confiscated From Democratic Party

OW0308194792 Moscow INTERFAX in English 1838 GMT 3 Aug 92

[Transmitted via KYODO]

[Text] 22 rubles were left in the kitty of the Uzbekistani Democratic Party "Erk" after a tax inspection resulted in the confiscation of party funds worth 192,000 rubles, the party's press service told INTERFAX.

It has been established that the party received the money from a Russian sponsor before a decree was issued by the President of Uzbekistan, Islam Karimov, banning the financing of public organisations by sources from outside the republic. "Erk" is to make a court protest against the tax inspector's action.

Government Advised To Heed Opposition

92US0690B Moscow LITERATURNAYA GAZETA in Russian No 31, 29 Jul 92 pp 1-2

[Article by writer Mirza Saliyev: "The Dushanbe Scenario Could Be Repeated in Tashkent if the President and the Opposition Do Not Reach Understanding"]

[Text] Tashkent—People here are already saying: "Uzbekistan is the best candidate for a repetition of the Dushanbe scenario." At the height of the Tajik events, when shots were heard and blood was spilled, President Islam Karimov called for drawing conclusions from the "standoff in Dushanbe."

What conclusions were drawn?

In March of this year, a special government and parliament decree was published, which "abolished" the republic newspapers KHALK SUZI and NARODNOYE SLOVO, and drove their editor in chief, A.G. Mukhtarov, out of his job. It cannot be called anything else when he was accused of "provocative slanderous fabrications." However, at the same time, they do not accuse him of one blunder, not one mistake, and not one piece of evidence was brought against him. The parliament personally hand picked the "personnel of the editorial board" but, you see, he was not pleased by this gesture from on high. He thought this was the internal business of the editorial staff. Well, could one really tolerate such arbitrariness? The parliament and the government fired the editor.

Here one can speak only about reprisal against a political opponent and, what is remarkable, with the president knowing about it. For even the decree has this heading: "In the Presidium of the Supreme Soviet of the Republic of Uzbekistan and the Cabinet of Ministers under the president of the Republic of Uzbekistan." It is perceived as a kind of doctrine which can be used as a guideline for punishing any oppositionally inclined person. Even at the time of its publication this decree produced a painful impression, but subsequently, alas, reality surpassed all expectations.

Abdurakhim Pulatov is a doctor of technical sciences. Pulatov is one of the central political figures in Uzbekistan. There is nothing surprising about the fact that after the attempt on his life, the newspaper IZVESTIYA wrote about it for three days. However, not a single one of the Tashkent newspapers printed a word of condemnation of the crime commited by the band of extremists in the center of Tashkent in broad daylight.

Pulatov is a victim of political extremism. For this reason alone, the president had no right to remain silent.

The press is not saying anything either, which is a manifestation of our home-grown Asiatic leader worship which does not grant citizens the right to express their opinion. I am not exaggerating. This is precisely the viewpoint expressed most frequently in society. For

example: "....all the media are engaged in unrestrained praise of one individual"; "there is a growing reinforcement of individual power."

The president, however, thinks everything is the other way around, as he stated to an ARGUMENTY I FAKTY correspondent: "I do not agree that representatives of the opposition are called democrats and we are called conservatives." So would the president like to be called a democrat? Fine, but I would like to ask what kind of democratic presidential power it is that now, in our day, looks down tolerantly at the massacre of its political opponents?

Recently the opposition, represented by its leaders A. Pulatov and M. Solikh, came out in favor of a dialogue with the president, the parliament, and other official structures. The president had no reaction to this proposal, as if he had not heard it at all.

The Dushanbe scenario began precisely with ignoring the opposition. We see the same thing in Uzbekistan. Yes, we have relative stability, but the situation is similar to the Tajik situation in that the ruling NDP [People's Democratic Party], which essentially has just put up its sign, has retained the same inherent features of the Communist Party of Uzbekistan. There is hardly any need to prove this. Can such a party make a reliable assessment of the situation?

The opposition is right when it insistently draws the president's attention to the tense socioeconomic situation in the republic and that the people's patience is growing thin and will not last forever.

The system is arrogant. The opposition, with all its weaknesses and with a certain diversity of its personnel, nonetheless was initially formed peacefully as a social school. It embodies democracy and, which is of no small importance, it has in its leaders a political will to make radical changes. One cannot say that the quality of the opposition leaders is not recognized and sensed by the masses, especially youth and intelligentsia.

It is known that it was on the president's initiative that we armed ourselves with the Turkish model for entering the market. It is just that no good is coming from it and none is expected. Why? One of the opposition leaders said about the Turkish model: "Only democracy has made it work. However, we are not developing democracy." The Turkish model really is not working for us, since without democracy, it has degenerated into flowery verbiage, which can no longer hypnotize anybody....

President Karimov, comparing our farming with the Chinese, admitted: "....we are getting nowhere fast." However, lack of change will be the death of kolkhoz peasant farming. The Peasant Party, headed by its chairman, Academician M.-A. Mukhamedzhanov, suggests a market solution to the problem: "....having made the peasant the master of the land, give him complete freedom," and by no means recommends that there be privatization of all land without exception. The main thing is to begin. However, the administrative-bureaucratic system, as our renowned poet and public figure E. Vakhidov noted, is not capable of introducing private property.

The president's cautious attitude toward reforms is no accident, for the path to them is not easy, and, moreover, it is fraught with the risk of competition in the democratic struggle for leadership and power, but how will this struggle end up? The experience of that same Tajikistan fills us with alarm. Yet the social tension in society is growing. Changes are needed both to relieve the tension and provide a hope of renewal. In the existing situation it makes sense to heed the opposition's suggestion of creating a government of national accord.

The president, however, remains silent. Neither he nor his party, the ruling NDP, sees anything reprehensible in the political system of modern Uzbekistan. In spite of its totalitarian nature, the regime has intellectual potential, organization, knowledge, professionalism, a certain amount of tact, business skills, and skills for working with the masses.

The president's policy helped to preserve the main thing necessary for reforms—stability. The opposition is demanding not for half-hearted reforms, but rather, for real market reforms. However, the president, instead of seizing the initiative and thus pulling the rug out from under the opposition, is resorting to repression. If this policy becomes stronger and the reforms are postponed, the tension will increase as well.

Therefore the opposition's proposal to create a government of national accord which is capable of overcoming the resistance of the bureaucratic system is extremely crucial.

Armenia

Delegation Walks Out of Rome Talks

NC0408192292 Paris AFP in English 1830 GMT 4 Aug 92

[Excerpts] Rome, Aug 4 (AFP) - Representatives of the Armenian majority in Nagorno-Karabakh Tuesday [4 August] walked out of pan-European talks in Rome aimed at ending the conflict in the region while fighting continued around the Mardakertskiy [Agdere] area.

Head of the Armenian delegation Kristiyan Ter-Stepanyan said the decision was to protest at an alleged failure by the meeting president "to fulfill his undertakings" regarding the status accorded to "the elected representatives" of his two-man delegation.

Ter-Stepanyan, head of the European Department in the Armenian Foreign Affairs Office, called Nagorno-Karabakh a republic in reference to the proclamation to that effect in Stepanakert last December.

Last Sunday, reference to the region as a "republic" by one of Ter-Stepanyan's delegation caused Azerbaijan and Turkey briefly to quit the talks, only to return hours later. [passage omitted]

Meanwhile in Moscow, the INTERFAX news agency reported Tuesday that nine Azerbaijanis died and 12 were injured in fighting around Mardakert in northern Nagorno-Karabakh, where Armenian forces are trying to regain the town after Azerbaijani forces took it in May.

INTERFAX quoted the Azerbaijan Defence Ministry as saying Azerbaijani villages on the border with Armenia were shelled from Armenian territory, killing at least three and injuring 16.

The KARABAKH NEWS AGENCY, quoted by INTERFAX, reported shelling by Azerbaijanis on the towns of Martuni and Gadrut as well as neighbouring villages, leaving one person wounded.

The Armenian Interior Ministry said that Armenian villages on the border with Azerbaijan were also shelled, injuring several people.

Reportage on Situation in Nagorno-Karabakh

WA0308143092

[Editorial Report] Moscow ITAR-TASS World Service in Russian at 1150 GMT on 3 August, in a Yerevan-datelined ARMENPRES-TASS pickup, cites the following report from KARABAKH NEWS AGENCY: "Armenian self-defense detachments are continuing operations to suppress firing positions of the Azerbaijan National Army in the rayon center of Mardakert [Agdere] and the village of Matagis this morning." According to the news agency, "Armenian forces are continuing to hold the villages of Agdaban and Charektar in Mardakertskiy Rayon, which were liberated yesterday."

ARMENPRES reports that "artillery shelling of the populated areas of Armenia bordering on Azerbaijan has stepped up sharply" over the past 24 hours. ARMENPRES adds: "Practically all the villages of Tavushskiy Rayon in Armenia were subjected to shelling from artillery, Grad missile launchers, and tanks on 2 and 3 August. Five people have died, 23 have been wounded, and there has been considerable damage."

Yerevan Armenia's Radio First Program Network in Armenian at 1200 GMT on 3 August carrries a report from the NAGORNO-KARABAKH NEWS AGENCY that cites the Nagorno-Karabakh self-defense forces headquarters as confirming that "Armenian detachments are controlling the villages of Agdaban and Charektar in Mardakertskiy Rayon." According to the report, "the most active enemy firing positions were located in these villages."

According to the Yerevan Armenia's Radio report: "Robert Kocharyan, an Armenian Supreme Soviet people's deputy from Nagorno-Karabakh, told an ARMENPRES correspondent that the armed conflict in Nagorno-Karabakh is becoming fiercer." The deputy is cited as saying that "Azerbaijan is deploying fresh forces and military hardware and hiring more mercenaries. All this indicates that the fighting in Nagorno-Karabakh may be on the rise."

The Yerevan Armenia reports cites Zareh Sargsyan, chairman of Krasnoselskiy Rayon soviet executive committee, as saying that "the only road linking Krasnoselskiy to Artsvashen was cut off again this morning. The road was still closed at 1430, but the sides are talking to try and resolve the issue. The enemy has not undertaken any military operation since last night, and the situation is relatively calm."

According to the Yerevan Armenia report, "the situation remains tense in Tavushskiy Rayon, but it has been relatively calm since the morning. According to information received from the other rayon soviet executive committees, the situation was also calm in Yekheknadzorskiy and Gorisskiy Rayon."

Yerevan ARMENPRES International Service in Armenian at 1215 GMT on 3 August reports the following: "According to information provided by the Armenian Defense Ministry Press Service, the Armenian forces waged fierce battles against superior enemy forces near the villages of Gochaz and [name indistinct] in Lachinskiy Rayon. One of the Armenian detachments came under surprise attack and lost 17 fighters during a fight."

Yerevan Radio Yerevan in Azeri 1330 GMT 3 August carries an updated report on developments in the Nagorno-Karabakh Republic and Armenian's rayons. According to Radio Yerevan: "Combat operations are continuing in Nagorno-Karabakh. Armenian self-defense forces are relentlessly attacking military positions in Mardakertskiy [Agdere] Rayon in an effort to evict the enemy. Armenian armed units currently control nearly 80 percent of Mardakertskiy Rayon. Clashes are

taking place in Mardakert [Agdere]. The enemy is trying to maintain control of the city and violent clashes are taking place." The report adds: "The Azerbaijani side has suffered many casualties. More than 100 Azerbaijanis were killed during clashes near Mardakert on 30 July. (Yevnar), (Madavish), [name indistinct] and Agdaban were liberated from enemy occupation 31 July-1 August. Many enemy troops were killed or wounded in the clashes. Azerbaijan lost eight tanks and four artillery guns that night."

Radio Yerevan adds that "units attacked (Gyunyatakh) again, but Armenian units repulsed their attack and launched a counterattack. The enemy left more than 10 bodies on the battlefield."

The report adds that "Umudlu was attacked by the Armenian self-defense forces on 31 July. In addition, (Eski Oratag), which had been occupied by Azerbaijani units, was liberated two days ago. The Armenian side also occupied strategically important hills in the area. Dozens of military personnel, including officers, were either killed or wounded."

Radio Yerevan adds: "The Azerbaijan National Army is using its air force in its aggression against Nagorno-Karabakh. All the rayon centers in Nagorno-Karabakh, including Stepanakert and many other residential areas, have been attacked by Azerbaijani aircraft. Vital installations, residential buildings, and other establishments have been significantly damaged or partially destroyed as a result of the bombing."

Moscow ITAR-TASS in English at 1626 GMT on 3 August carries a Baku-datelined report stating that Azerbaijani Defense Ministry on 3 August denied reports "that Armenian guerrillas had seized key strategic villages of Agdaban and Cherektar. The ministry said the villages remained under control of Azerbaijani Armed Forces."

Intensified Border Clashes

NC0408182992 Yerevan Armenia's Radio First Program Network in Armenian 1650 GMT 4 Aug 92

[Text] First, a brief report on the situation in Nagorno-Karabakh: Nushinak in Martuninskiy Rayon was shelled with artillery last night and early this morning from the Azerbaijani military bases in Amiranlar. The shelling caused damage and one resident was injured by shrapnel.

At about the same time, Gadrut and nearby Armenian settlements were shelled with rockets and artillery from the direction of Fizulinskiy Rayon. Casualties are being determined.

Now, a report obtained by ARMENPRES just a while ago about the situation in Armenia's border regions: In recent days the Azerbaijani armed units have stepped up their military operations in Armenia's border regions.

The Armenian Defense Ministry's press service reported that Bardzruni in Vaykskiy Rayon and Khachik in Yekhegnadzorskiy Rayon were intermittently fired on throughout yesterday. A residence in Bardzruni was destroyed by a shell fired in the evening.

Tonight the enemy once more has targeted Nerkin-Karmiragpyur in Tavushskiy Rayon. It was fired on with weapons of various caliber. Fortunately, there were no casualties or damage. Three guards on Megrinskiy Rayon's border were injured by sporadic fire.

Artsvashen village was shelled from tanks and Grad rocket launchers at 1700 and 2045 yesterday. At 1300 today, Artsvashen's defenders were forced to return fire against military positions in Novo-Ivanovka and Novosaratovka in Azerbaijan's Kedabekskiy Rayon. Krasnoselsk was shelled from these positions at 1330 today. Two hours later the Azerbaijani armed units tried to storm Artsvashen but could not achieve their objective. The Armenian defense forces have not withdrawn from their positions and are repulsing the enemy's attacks. The number injured is being determined.

Shugaryan Brief on Rome Talks, President's Tour

NC0408042492 Yerevan Armenia's Radio First Program Network in Armenian 1730 GMT 3 Aug 92

[Text] Ruben Shugaryan, the Armenian president's press secretary, met the press on 3 August. In a brief review of the week's events, he touched on the preparatory meeting in Rome on the Nagorno-Karabakh problem [words indistinct] and President Ter-Petrosyan's visit to Zangezur [southern Armenia].

Shugaryan discussed the latest information received from the Italian capital, saying that some factors indicate positive movement on the Karabakh problem: First, the composition of the delegation. The Nagorno-Karabakh Republic sent legally elected leaders as delegates. The delegates are empowered with the right to vote. Representatives of the Azerbaijani community have been invited to the talks as observers. Second: A demand made by Armenia and Nagorno-Karabakh Republic that Azerbaijan be condemned for its aggression against Mardakertskiy Rayon has been received positively. Seven countries—Germany, Armenia, the United States, Russia, France and Italy—condemned the aggression against the peaceful Armenian population.

Replying to a question on Shaumyanovskiy Rayon, Shugaryan said that [words indistinct]. Today, the Rome meeting will discuss a document on Lachin, Shusha, Shaumyanovskiy and Mardakertskiy [words indistinct].

According to latest information from Rome, CSCE chairman Mario Raffaelli has said that Turkey and Azerbaijan, who yesterday walked out of the talks in protest, have returned to the conference hall.

The press secretary said he believed that Turkey will act with more circumspection at the Minsk meeting considering the [word indistinct] status of the participants.

The official also discussed the results of President Ter-Petrosyan's visit to the border regions in Zangezur,

saying that during a meeting with the workers in Kadzharan, the president clearly said that Zangezur has been and will remain an inseparable part of Armenia. During the president's visit, social, defense, and other issues were discussed.

Azerbaijan

Armenia Accused of Violating Armament Agreement

OW0508111492 Moscow INTERFAX in English 1015 GMT 5 Aug 92

[Transmitted via KYODO]

[Text] The Azeri Defense Ministry accused Armenia of violation of Helsinki agreements on control over conventional armaments. A message distributed by the press center of the Defense Ministry on Tuesday [4 August] says that statements of Armenia on its intention to observe these agreements "are leading the world astray in respect to the actual aims of the Armenian expansionist policy".

The Azeri Defense Ministry sees violation of the Helsinki agreement on the part of Armenia in increasing the number of armaments above the fixed norm. For example, the armaments and equipment of the 366th Motor Rifle Company stationed in Stepanakert which should have been transferred to Azerbaijan had been received "by the combatants of the self-proclaimed Nagorno-Karabakh Republic" in violation of all agreements. At the same time these armored vehicles, totalling more than 100 units and the same number of artillery systems, belongs to Azerbaijan in accordance with documents.

The press center also reports about "mass uncontrolled" movement of the military vehicles for Armenia to Karabakh along the Lachin corridor. According to the press center, 102 tanks and armed vehicles have been transported to Karabakh over the first week of July. The present situation "when the war against Azerbaijan is being waged exclusively on the Azeri territory and the major part of the Armenian military equipment is on the Azeri territory grants the Armenians apossibility to assert that Armenia does not violate the Helsinki agreement", the statement stresses. At the same time the military vehicles which had been transferred to Azerbaijan are being destroyed in the result of fighting in Karabakh. For example, Azerbaijan has lost 28 tanks, 35 armored vehicles, 56 artillery guns. 2 military aircraft over June-July this year.

Six Armenians Killed in 'Violent Clashes'

NC0408202492 Baku Radio Baku Network in Azeri 1900 GMT 4 Aug 92

[Text] The Azerbaijan Ministry of Defense Analytical Information Center told an AZERINFORM correspondent that the situation in the disputed zone continues to be tense. Violent clashes are taking place in Agdere [Mardakertskiy] Rayon. Residential areas in the border region are systematically fired on. Two Azerbaijani fighters were wounded when Kohne Kyshlakh in Kazakhskiy Rayon was fired on from Armenia. The town's defenders returned the fire and killed six Armenians.

(Umuddere), Duzresully, and [placename indistinct] in Kedabekskiy Rayon were shelled intensively with artillery last night from Armenia's Krasnoselskiy Rayon. Two Azerbaijani fighters were killed and another was wounded in the clashes. Khasanly and Goyebakhan in Tauzskiy Rayon also were fired on.

Djebrailskiy, Kubatlinskiy, Zangelanskiy, Fizulinskiy, and Agdamskiy Rayons have been relatively peaceful during the past few days.

[Moscow ITAR-TASS in English at 1932 GMT on 4 August, in a report by AZERINFORM correspondent Elchin Sardarov, adds: "Armenian armed groups subjected to intensive artillery bombardment Saratovka village of Azerbaijan's Kedabeksky District in the early hours of August 4. The fire came from the side of Armenia's Krasnoselsky District. Two defenders of the village died during the fighting.

"A spokesman in the Azeri Defence Ministry's analytical information centre told AZERINFORM that fierce fighting continues in the republic's Agderinsky, Kazakh, Tauzsky and Kelbadzharsky Districts."]

Rome Conference Walkout a 'Forced Move'

MK0408131092 Moscow NEZAVISIMAYA GAZETA in Russian 4 Aug 92 p 3

[Report by Aydyn Mekhtiyev under "Azerbaijan" rubric: "Rome Meeting Continues With Full Complement. Turkish and Azerbaijani Delegations Return to Session Hall"]

[Text] According to a Turkish TRT television company report broadcast late in the evening of 2 August, the Turkish and Azerbaijani delegations at the Rome meeting held under the CSCE's auspices left the session hall immediately after the representative of Nagorno-Karabakh's Armenian community demanded in his speech that the delegation he heads be given the status of an equal participant in the talks.

An Azerbaijani Foreign Ministry official spokesman stated in a conversation with a NEZAVISIMAYA GAZETA correspondent that the Azerbaijani and Turkish delegations' departure was a forced move, dictated by an intention to draw the Rome meeting participants' attention to the Armenian side's attempt to put pressure on CSCE Chairman Mario Raffaelli. In the Azerbaijani Foreign Ministry spokesman's opinion, the Rome conference does not have the authority to change the status of Nagorno-Karabakh's Armenian community—this being the exclusive prerogative of the committee of senior officials of CSCE member countries. However, even before the current stage of the Rome talks

started in Baku, alarm greeted the comments by the official spokesmen in Yerevan and Khankendy that, quote, the CSCE chairman is prepared to proceed to a partial satisfaction of the Armenian delegation's demands and to grant Nagorno-Karabakh's Armenian community the status of "lawfully elected representatives of Nagorno-Karabakh." The Azerbaijani leadership, which has not recognized the legality of the creation of the so-called Nagorno-Karabakh Republic or the legality of elections to the Nagorno-Karabakh Supreme Soviet, undoubtedly cannot agree to such a position. Turkey is giving full backing to Azerbaijan's position on this question. That is why both countries' delegations decided to take a united position at the Rome meeting.

It was learned from the TRT report that, after CSCE Chairman Mario Raffaelli gave his assurance that the protest by Turkey and Azerbaijan would be considered at the next session, the two countries' delegations agreed to return to the hall to continue discussions.

Russian Transcaucasus Diplomacy Observed

92US0690A Moscow LITERATURNAYA GAZETA in Russian No 31, 29 Jul 92 p 2

[Article by Elmira Akhundova, LITERATURNAYA GAZETA correspondent for Azerbaijan: "Will We Catch Up With Or Pass Turkey? Russia Makes New Proposals on Karabakh"]

[Text] Baku— **From all appearances Russian diplomacy has significantly adjusted its policy in the Transcaucasus.**

High government officials of Azerbaijan are noting with satisfaction the favorable changes in relations between the two sovereign states: the establishment of diplomatic relations at the embassy level, the arrival of an ambassador extraordinary and plenipotentiary of Russia in Baku, and political consultations at various levels.

It seems that Russian politicians are beginning to get used to the idea that they are speaking with representatives of independent states and there is almost no trace of an imperial tone in their speech. This was mentioned by the head of the Azerbaijan parliament, Isa Gambarov, at a news conference held in the Supreme Soviet. He emphasized that recently Russia had been holding a neutral position in the Karabakh conflict and adhering to international legal norms.

Armed with the first successes of peace-making diplomacy—South Ossetia and the Dniester region—Russian leaders intend for a third time (the first two attempts ended in failure) to act as intermediaries in resolving the Karabakh question. At the end of last week Vladimir Kazimirov, the Russian ambassador at large and the leader of the Russian mediation delegation for a peaceful resolution to the conflict in Nagorno-Karabakh, visited Baku and Nakhichevan. He had conversations with Chairman of the Supreme Soviet of Azerbaijan I. Gambarov and Chairman of the Supreme Majlis of the Nakhichevan Republic G. Aliyev. The essence of the Russian leadership's proposals is extremely simple: a cease-fire all along the front, removal of the blockade, and resumption of the negotiating process. In the preliminary proposals special attention was devoted to restoring peace on the Armenian-Nakhichevan border. Russia is probably doing this to prove to Turkey, which up to this point has played "first fiddle" in the regulation of the conflict between Nakhichevan and Armenia, that it too is capable of influencing the situation in the region, which is undoubtedly within the sphere of its long-range interests.

Elchibey: Efficient Armed Forces 'Indispensable'

OW0408143692 Moscow INTERFAX in English 1344 GMT 4 Aug 92

[Transmitted via KYODO]

[Text] President of Azerbaijan Abulfaz Elchibey said that at the moment the formation of Azerbaijan's armed forces ranks among the top priority tasks of state development. "Efficient armed forces are an indispensable element of an independent state," he said. "Faced with foreign intervention, the republic has to attach great importance to the formation of such forces," Elchibey said during an all-republican conference held on August 3 on the initiative of the defence ministry and defence council.

Elchibey said that initially based on volunteers' unions, the Azeri army is being replenished by both volunteers and conscripts.

The speakers noted that the army's formation and maintenance proceeds without any plan, and that the government does not coordinate its efforts with the territorial administration. As a result, conscripts are leaving the defence positions and form units which do not obey the joint command. He said that measures should be taken to apply war-time laws to those evading service and violating discipline.

News Conference on Caspian Flotilla Viewed

NC0408204592 Baku Radio Baku Network in Azeri 1700 GMT 4 Aug 92

[Text] A news conference was held at the Defense Ministry on 4 August regarding the newly established Azerbaijani Navy. What was left in Azerbaijan following the departure of the CIS units? What about the technical equipment? Who can serve in our national fleet? What about the reorganization of training at Baku Naval School? Leyla Yunusova, head of the Azerbaijan Defense Ministry's Analytical Information Center; Azerbaijani Navy Commander Ratib Askerov; Baku Naval School officials, and other experts replied to these and other questions from local and foreign journalists. It was established from video tapes recorded by the Analytical Information Center that several ships and pieces of equipment of the Navy have not been taken out of Azerbaijan, but the equipment, which could not be removed, has been disabled. Furthermore, preparations were made to sell the building housing the officers mess and the Caspian Flotilla Museum in Baku.

Dockyard No. 23, used for repairing Navy vessels, [words indistinct]. It was not considered when the flotilla was shared. Because of this, dockyard workers have not been paid in a long time. The agreement reached on sharing the flotilla must be implemented by 15 November. Unilateral efforts on this are being made.

During the news conference it was reported that an oath-taking ceremony will be held at Baku Naval School for allegiance to our national fleet.

KHALG ORDUSU newspaper employee Iskandr Ali said at the end of the news conference that Rear Admiral (Yenin), commander of the former Caspian Flotilla, shamelessly insulted Azerbaijan's flag, which was hoisted on [words indistinct]. The journalists demanded an apology from the rear admiral. Otherwise, they said, a criminal investigation must be launched against him.

The question of the use of [words indistinct] in the flotilla and the naval school also was discussed during the conference. It was noted that Azerbaijan will benefit from the experience gained by foreign countries on the matter.

Housing Aid Given to Former USSR Servicemen

OW3107212692 Moscow INTERFAX in English 1824 GMT 31 Jul 92

[Transmitted via KYODO]

[Text] The Azeri Cabinet of Minsters passed a resolution to transfer without compensation houses and flats to the servicemen of foreign states living on the territory of the republic, staying in reserve or retired, to their ownership. The resolution of the Azeri Government on social security of the servicemen published on Friday [31 July] in Baku states that they are granted a right to exchange their flats for other on the territory of other republics. In this case they are paid a compensation equal to the cost of the flat at the moment of its realization, and the dwelling space is transferred to the Azeri Defense Ministry.

Disbandment of Nakhichevan Division Viewed

PM0408101992 Moscow KRASNAYA ZVEZDA in Russian 31 Jul 92 p 3

[Report by Sergey Knyazkov: "75th Motorized Rifle Division in Nakhichevan Disbands"]

[Text] Moscow—Hardly had we gotten over the 14 July military transport air crash in Nakhichevan when RIA reported another piece of news (relating to the Transcaucasus Military District's 75th Motorized Rifle Division) from this autonomous republic. Fortunately, this time it was not alarming, on the contrary... The combined unit's disbandment has begun in accordance with the timetable agreed on the basis of talks with the Russian Defense Ministry, the Transcaucasus Military District Command, and the division itself.

This decision was impatiently awaited by Russian servicemen. According to an informed source at the Russian Defense Ministry General Staff who wished to remain anonymous, "the 75th was not touched until the officers themselves had decided their fate and the fate of the division." They sent a letter to Russian presidential adviser Galina Starovoytova asking her to help in disbanding the combined unit, and they dispatched an official representative to the Defense Ministry...

The interested parties, including the leaders of the Nakhichevan Autonomous Republic, consented. It was decided that the division would leave behind "everything it has" at its deployment site and that the officers would be sent to serve either wherever there would be apartments for them, or wherever they themselves wished.

In order to resolve any extraneous questions about just what weapons the division would be leaving behind, the source at the Russian General Staff stressed that it would mainly be small arms.

According to available information, Geydar Aliyev, chairman of the republic's Supreme Assembly, promised the Transcaucasus Military District command that the division's officers and men would, as expected, be given the warmest of send-offs—with music and flowers. [Referring to this report, the 1 August edition of KRASNAYA ZVEZDA carries the following "Clarification of Information" on page 2: "Yesterday's edition of KRASNAYA ZVEZDA published a report on the start of the disbandment of a motorized rifle division deployed in Nakhichevan. When preparing the item the writer made use of unverified facts from an anonymous source which misled our readers. Specifically, with regard to the motives and prehistory behind the combined unit's disbandment. We offer readers our apologies."]

80 Youths Sent to Turkey for Military Training

OW0208162592 Moscow INTERFAX in English 1540 GMT 2 Aug 92

[Transmitted via KYODO]

[Text] Azerbaijan's ruling People's Front has sent a group of 80 young Front supporters for training at Turkey's military schools. The Baku newspaper, ZERKALO, referring to the leader of the large opposition National Independence party, Etibar Mamedov, said the Front's decision was taken behind the back of the defence ministry.

Mamedov said the Turkish side was angered that the group was being sent without permission from the defence ministry because of bypassing the established practice under which Turkey will accept only those Azeri nationals which are sent by the Azeri government, not public or political groups, for study at its colleges.

However, the paper did not say whether the group would be sent back home.

Protest Note on 'Insulting Remarks' Viewed

MK0408132092 Moscow NEZAVISIMAYA GAZETA in Russian 4 Aug 92 p 3

[Report under "NEGA Reports" rubric: "Azerbaijan"]

[Text] It has been learned from informed sources that the Azerbaijani official mission in Moscow has sent a protest note to the Russian Foreign Ministry concerning the interview with Russian First Deputy Foreign Minister Fedor Shelov-Kovedyayev published in NEZAVISIMAYA GAZETA 30 July 1992.

The note draws the Russian side's attention "to what are in fact insulting remarks by a top Russian Foreign Ministry official regarding the Azerbaijani Republic and its people." The note's authors express surprise that Azerbaijanis figure as negative examples throughout the interview's text. Primarily, the note stresses, this relates to instances of weapons' being seized.

Azerbaijani diplomats believe that "the fixing of Russian foreign policy priorities, as done by Shelov-Kovedyayev, is characterized by blatant discrimination against Azerbaijan," and they note that such a policy ignores the interests of Azerbaijan's 500,000-strong Slav population.

The note raises the question of the extent to which Shelov-Kovedyayev's position corresponds to the Russian leadership's viewpoint.

The Azerbaijani official mission in Moscow confirmed that such a note was sent to the Russian Foreign Ministry, while noting that Shelov-Kovedyayev's remarks are nothing new. The tone of the interview with Shelov-Kovedyayev, in the opinion of the Azerbaijani official mission, "is incompatible with his high status." "As a member of the anti-Azerbaijani section of the Moscow political establishment, headed by Galina Starovoytova," the document's authors believe, "he has made considerable efforts to worsen Russian-Azerbaijani relations and to undermine Russia's positions in the Transcaucasus."

President Appoints Interethnic Relations Adviser

LD0208193492 Baku Radio Baku Network in Azeri 0202 GMT 2 Aug 92

[Text] According to a decree by President Abulfaz Elchibey Hidayat, Khudush ogly Orujev has been appointed councillor of the president of the Republic of Azerbaijan for interethnic relations. Rasim Nasraddin ogly Musabeyov was relieved of this duty at his request.

Reorganization of State Enterprises Ordered

OW0308223192 Moscow INTERFAX in English 1800 GMT 3 Aug 92

[From the 4 August "Presidential Bulletin"; transmitted via KYODO]

[Text] President Elchibey has issued a decree which gives the government of the Nakhichevan autonomous republic, and chief administrators of Baku and elsewhere in Azerbaijan until October 1 for "reorganizing state and municipal retail trade and services". This includes retail shops, canteens, cafes and restaurants which are now subject to re-registration on the basis of the official documentation followed by the acquisition of a legal entity status.

However, no change is allowed of the ownership pattern or of the area of activity of such businesses or non-compliance with earlier contract commitments. Any change of the lease agreement terms is also prohibited. The Azeri government and the National Bank are instructed to enforce the measure which came in force on August 1.

Elchibey's spokesman told IF [INTERFAX] that the measure was intended to help "satisfy demand for consumer goods and services" as well as stimulate competition in retail trade and catering. He said that the decree which was fully in line with the property law would play an important role in clearing the ground for privatizing those sectors of the economy.

The latest measure is widely seen as Elchibey's further campaign against the unlawful seizure of state property taking place everywhere in the past six months because of negligence or direct involvement by corrupt local officials.

IF Note: One of the government aides, Sabit Bagirov, says that out of a total of 25,000 businesses in retail trade and catering, a mere 5% operate as legal entities, with the rest being subjugated to different organizations which, experts say, hampers the transition to a market economy. If the measure is put in place as planned, Azerbaijan's retail trade and services will be fully privatized after October 1. But they will remain in state ownership until the start of privatization.

Mutalibov, State Money To Be Returned to Baku

LD0208224692 Moscow Teleradiokompaniya Ostankino Television First Program Network in Russian 2000 GMT 2 Aug 92

[From the "Novosti" newscast]

[Text] Ayaz Mutalibov, the former Azerbaijani president, will soon be returned to Baku together with the money he took from state coffers. According to a report of the MEGAPOLIS EKSPRESS newspaper, this was revealed by Gamidov, the republic's minister of internal affairs. According to him, a large number of accounts belonging to Mutalibov and other former leaders have been discovered in foreign banks, and it is already possible to estimate that $12 billion can be recovered from these banks.

Currency Might Not Be Introduced on 15 Aug

NC0308101792 Baku TURAN in English 1132 GMT 1 Aug 92

[Text] Baku, 01/08/92, TURAN: "It is possible, that the national currency of 'Manat' would not be introduced officially into circulation from August 15 as it had been provided by the edict of the President of Azerbaijan," said Rakhim Guseynov, Azerbaijani prime minister to the TURAN correspondent.

The prime minister said that 'Manats' would be introduced into circulation as means to obviate shortage of ready money, but not as a national currency and would circulate only within the republic. "National currency is not a panacea from all misfortunes, it should be considered as a mean to liquidate the deficit of ready money."

R. Guseynov said that the leadership of the republic did not abandon their aspiration for official introduction of the national currency into circulation, but, first of all, there must take place stabilization of economy in Azerbaijan and in production of the national currency in the states of the CIS.

For the present moment, it is in our interest to use a ruble, because we are living in the ruble area and a ruble is much more cheaper than a dollar, said the prime-minister.

Barter Deals With Foreign States 'Suspended'

NC0308112792 Baku TURAN in English 0016 GMT 1 Aug 92

[Text] 01/08/92, TURAN: All barter transactions between Azerbaijan and foreign states have been suspended from hence by the resolution of the Azerbaijani Cabinet of Ministers.

90 per cent of barter transactions on the part of Azerbaijan make up strategic raw materials, such as fuel, cotton, non-ferrous metals and alloyed steel.

"Barter transactions have been introduced into practice by the former leadership of the republic and carried on the basis of unequality to the prejudice of Azerbaijan. But as for the ex-president and ex-prime-minister, they made fortunes through barter," declared the state secretary of Azerbaijan Panakh Husetnov.

At the present time, industrial capacities of the Azerbaijani enterprises keep running at 50-55 per cent and, under existing conditions of devaluation of a ruble, barter transactions proved to be the only way to maintain business relations with partners.

Heads of the Azerbaijani enterprises, commercial bodies and independent economists are sure that a ban on barter drives the Republic to a complete economic collapse.

The first deputy of the minister of external economic links Rauf Karayev, [as received] opposing this resolution, classified the situation as disastrous. "Now, it is just the very time to send a SOS signal," said he.

Georgia

'Manifesto' on Reconciliation Adopted

OW0408143292 Moscow INTERFAX in English 1344 GMT 4 Aug 92

[Transmitted via KYODO]

[Text] The Manifesto, adopted by the Georgian State Council on August 3 heralds a switch over to the policy of national reconciliation and accord, Eduard Shevardnadze's aide Teymuraz Stepanov told INTERFAX.

He said this manifesto should by no means be viewed as something provoking Gamsakhurdia's supporters to return measures.

The Georgian leaders, he continued, are only "demonstrating good will, and to some extent their strength, as well".

The Manifesto has done away with the state of emergency and curfew in Tbilisi beginning Tuesday [4 August], and removes criminal charges from all those arrested since January 6 for anti-government activity. Gamsakhurdia's supporters, who attempted to throw down the government on June 24 and seized the building of the TV and Radio Department, and the TV tower in Tbilisi will be released. Among them are the chairman of Zugdidi's disobedience committee, and one of ex-president Walter Shurgaya's nearest supporters. Finance minister Guram Absandze in Gamsakhurdia's government and Chairman of the parliamentary commission for economy and finances Tariel Gelandia, who were accused of appropriating 40 million roubles from the state treasury, will be freed from prison, too.

The State Council has also banned the activity of the political forces which still keep armed units. All of the armed formations will become part of the Georgian armed forces or interior troops, and will return to the places of permanent dislocation.

Teymuraz Stepanov said that Georgia's Procurator's Office will not lift charges from Zviad Gamsakhurdia. Court actions against him were started in the middle of January. He was accused of embezzlement, power abuse, the elimination of architectural and cultural monuments, and of stirring ethnic enmity.

Ioseliani Views Elections, Abkhaz, Mkhedrioni

AU0408171592 Bratislava SMENA in Slovak 3 Aug 92 p 11

[Interview with Jaba Ioseliani, Georgian State Council deputy chairman, by Rado Stevcik and Petr Stary; place and date not given: "Democracy Will Come Any Time Now"]

[Text] A year ago he was Zviad Gamsakhurdia's prisoner, today he is deputy chairman of the Georgian State Council and one of the four most powerful men in the country. Immediately after the president was overthrown, Jaba Ioseliani went straight from prison to a

senior position. He is commander of special armed units called "Mkhedrioni" ["Horsemen"—officially sanctioned paramilitary formations].

[SMENA] What will happen to the State Council, which currently supplements parliament, after the elections?

[Ioseliani] It will cease to exist after the elections. It will be replaced by a parliament and parliamentary democracy will return to Georgia.

[SMENA] Eduard Shevardnadze is campaigning as an independent. What about you?

[Ioseliani] I have not yet decided. If I were a candidate, I would also be an independent.

[SMENA] Will former President Zviad Gamsakhurdia take part in October's elections?

[Ioseliani] No. He has fled the country and has been accused of crimes. If he returns and the court finds him not guilty, he can take part in the elections. However, he will not return.

[SMENA] How does the Georgian leadership intend to resolve the problem of Abkhaz and its statute?

[Ioseliani] The decision made by the Abkhaz parliament is, literally, political adventurism. We will deal with this problem by political means in order to maintain constitutional order. Obviously, this will not be possible before the elections. Parallel structures have been established there; they are in fact carrying out illegal activity. In my opinion, their Supreme Soviet is also illegal. Power has changed here, but everything is the same as of old there. I regard their electoral law as a form of apartheid. The minority has more votes than the majority. Seventeen percent of Abkhazians have more seats in parliament than the Georgians, Armenians, and others. This is not democratic.

[SMENA] Could the negative attitude of the Ossetians and Abkhazians threaten the course of the elections?

[Ioseliani] No. Only Tskhinvali will not take part in the elections in Ossetia. The other villages are Georgian, and they will take part. Only a small number of people in a few constituencies do not want to take part in the elections.

[SMENA] Zviad Gamsakhurdia won 86 percent of the vote in the presidential elections. Has the Georgian voter changed during the past year?

[Ioseliani] He has changed a lot. He has become convinced, thanks to his own bitter experiences, that he cannot cast his vote so blindly. He must know whom he is voting for. The people have matured politically. At that time, they voted in a mechanical communist manner. Now they know what it brought them. A year ago I sent the people a message from prison. I warned them to think about everything thoroughly, and that it could all end in bloodshed. They did not listen to me, but now they know.

[SMENA] Eduard Shevardnadze declared after his arrival in Georgia that the country does not need a president and, therefore, this office will be abolished. Are his words valid?

[Ioseliani] We will be a parliamentary republic, but not completely. We will create an organ with both legislative and executive authority. However, it will not be a presidential post. It will be a collective organ. When the people voted for Gamsakhurdia, they did not know what kind of authority the president has. It turned out that they voted a dictator president.

[SMENA] Apart from guards and a police force, there are also your "Mkhedrioni" military units in Georgia. Is there any justification for them?

[Ioseliani] In essence, no longer. We state in our oath that we will fight for freedom and democracy. Now we are free and democracy will come any time now. However, like the guards—which Gamsakhurdia established—the "Mkhedrioni" could also join the Army. I will insist on this. The guards currently supplement the Army and the police force. The militia does not operate. The formation of an army, but not a large one, is under preparation. A small army is enough for Georgia. We will renew the tradition of reservists who can be called up if needed.

Abkhaz Resolution on Constitution Invalidated

AU0508094792 Tbilisi SAKARTVELOS RESPUBLIKA in Georgian 28 Jul 92 p 1

[Resolution of the Republic of Georgia State Council in Connection with the Resolution of the Supreme Council of the Abkhaz Autonomous Soviet Socialist Republic (ASSR) of 23 July 1992 "On the Suspension of the 1978 Constitution of the Abkhaz ASSR" issued in Tbilisi on 25 July]

[Text] The Republic of Georgia State Council notes that, on 23 July 1992, the Abkhaz ASSR Supreme Council adopted a resolution according to which the 1978 Constitution of the Abkhaz ASSR has been suspended; until a new constitution is elaborated, the 1925 Constitution of the Abkhaz ASSR has been restored with the preservation of the currently functioning legislative, executive, and judicial organs.

The Republic of Georgia State Council considers that, in the stated resolution, state-legal relations between the Republic of Georgia and the Abkhaz ASSR are incorrectly presented following the collapse of the Soviet Union and the declaration of the restoration of the 1921 Constitution of Georgia by the Republic of Georgia Military Council.

The collapse of the USSR did not change and, moreover, could not change the borders and state integrity of the Republic of Georgia, which has been confirmed by the

UN Security Council and CSCE member states and also by other states that have recognized the sovereignty of the Republic of Georgia.

The declaration by the Republic of Georgia Military Council of the restoration of the 1921 Constitution has not changed the borders and the nation-state structure of the Republic of Georgia and the status of the Abkhaz ASSR, which is confirmed by Article One in the declaration of the Republic of Georgia Military Council of 21 February 1992.

It should also be pointed out that the stated resolution of the Abkhaz ASSR Supreme Council has been adopted in gross violation of the accepted principles of constitutionalism, in particular, of Article 162 of the Constitution of the Abkhaz ASSR that stipulates that a qualified majority of deputies' votes is needed in order to resolve constitutional questions. As a result of this resolution, the will of the majority of the population of the Abkhaz ASSR has been ignored and international legal norms and principles on human rights and basic freedoms have been violated.

The Republic of Georgia State Council points out that the leadership of the Abkhaz ASSR, which should actively participate in the resolution of questions of the state structure of Georgia, prepared and adopted the stated resolution without consultation with the leadership of the Republic of Georgia and should assume responsibility for the consequences.

Proceeding from the aforementioned, the Republic of Georgia State Council resolves:

to recognize as legally invalid the resolution of the Abkhaz ASSR of 23 July 1992 "On the Suspension of the Constitution of the Abkhaz ASSR of 1978."

[Signed] E. Shevardnadze, chairman of the Republic of Georgia State Council

V. Goguadze, secretary of the Republic of Georgia State Council

[Dated] Tbilisi, 25 July 1992.

No. 103.

Georgian Abkhaz Faction Forms Own Parliament

LD0108191892 Moscow Russian Television Network in Russian 1600 GMT 1 Aug 92

[Report from the "Vesti" newscast, including recorded remarks by D. Gamakhariya, Abkhaz member of parliament]

[Text] The Georgian faction of the Abkhaz parliament has held an expanded session at a government country house in Sukhumi and called it a session of parliament. It gave itself the right to rescind parliament's earlier decision to restore the Abkhaz constitution of 1925. Thus, the foundations have been laid for the establishment of parallel power structures in Abkhazia.

There are no confirmed data on the number of deputies taking part in the faction's session, but we do know that the figure of 28, which has been mentioned, is far short of half the total number of deputies. The Georgian deputies themselves spoke of the legal basis of what they had done.

[Begin Gamakhariya recording] I do not consider that from a legal point of view, all our decisions are irreproachable. No way. This is all abnormal. [end recording]

Transcaucasian Military Region Denies Arms Transfer

OW0408194092 Moscow INTERFAX in English 1826 GMT 4 Aug 92

[Transmitted via KYODO]

[Text] The Transcaucasian military region information department head, Colonel Vasiliy Belchenko, refuted reports on transfers of arms and combat vehicles to Georgia. The Georgian State Council Secretary, Vakhtang Goguadze, recently told the republican television that the Transcaucasian military region command handed over a large amount of tanks, heavy combat vehicles and other equipment to Georgia.

Colonel Vasiliy Belchenko told an IF [INTERFAX] correspondent that the issue was still under consideration, but no transfer of arms had been made yet.

Commander on Formation of Border Guard Forces

OW0508111692 Moscow INTERFAX in English 1015 GMT 5 Aug 92

[Transmitted via KYODO]

[Text] The commander of the Georgian frontier forces Colonel Otar Gumberidze declared that the Georgian frontier forces are supposed to be completely formed by May 7, 1992, that is the second anniversary of the republic. After that the frontier guards are expected to guard the republican border "in a full scale". The 1968-km Georgian border will be guarded by a combined method: by professional frontier guards together with the local population.

In his interview with the agency "Sarke" Gumberidze reported that about a hundred of the Georgian conscripts are servicing at different frontier posts, in particular, in Adzharia, on the Turkish border. According to the agreement reached, the Russian frontier guards will train the Georgian conscripts.

Number of Deputies To Be Reduced to 250

LD3107155192 Moscow Radio Rossii Network in Russian 1200 GMT 31 Jul 92

[Text] The total number of deputies in the new Georgian parliament will be reduced to 250, ITAR-TASS reports from Tbilisi. In the Supreme Soviet, elected in October 1990 on the basis of a complicated system of representation from districts and parties, there were 280 deputies. As a result of the purges carried out by former President Gamsakhurdia, by December 1991 the number of deputies had dropped to 137.

The new numerical composition of parliament has been determined at the instigation of Eduard Shevardnadze, chairman of Georgia's State Council.

In the view of the members of the State Council, this will make it possible to guarantee uniform representation in the supreme body of legislative power of all rayons in Georgia.

INTERFAX Says 234

OW0108132992 Moscow INTERFAX in English 1220 GMT 1 Aug 92

[Transmitted via KYODO]

[Text] The Georgian parliament to be elected on October 11 will consist of 234 members rather than of 169 as planned before. Such was the decision made by the State Council after considering the conclusions of a special commission which examined the amendments proposed by some political parties to the regulations on elections approved at the end of May.

150 deputies will be elected in accordance with party lists on the basis of proportional representation, with more than one deputy representing each constituency. Each of the other 84 will represent one district in the republic, including districts within Tbilisi and Kutaisi. These will be elected on the basis of the majority vote system.